THE DAILY CLIPS

April 13, 2009

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East Carolina University News Bureau
E-mail to durhamj@ecu.edu  Web site at http://www.news.ecu.edu
252-328-6481 FAX: 252-328-6300
Letter: Largest ECU salaries should be cut

Monday, April 13, 2009

East Carolina University's Three Musketeers are Chancellor Steve Ballard, Athletic Director Terry Holland and Head Football Coach Skip Holtz. Seems like we have an AIG here in Greenville. They need to give up these bonuses and live like real people and they need to cut these salaries down to four figures instead of six or whatever. Holtz ain't all that great to receive a bonus of six figures. Former Head Coach Steve Logan was a better coach than Holtz is. Holland got rid of him because he was better than him. And Ballard talks out of both sides of his mouth. One time he says he's not going to lay off any staff and next thing you know he is saying something different. Cut his salary and the other Musketeers and the staff could work for three more years without layoffs. I hope my grandchildren and great-grandchildren don't decide to go to ECU because the nest eggs set aside for them probably won't be enough to go there.

BOOTS MILLER

Greenville
Letter: Thank medical lab professionals

Monday, April 13, 2009

It's that time of year again. April 19-25 is National Medical Laboratory Professionals Week. During this week you can do three things to celebrate.

One, have your blood glucose (blood sugar) and cholesterol levels checked. An elevated fasting blood glucose level means that you might have diabetes.

An elevated cholesterol level means that you might be at increased risk for developing atherosclerosis. The great thing about these laboratory tests is that they can identify medical conditions that may not produce obvious symptoms, but must be identified and treated. If discovered early, treatment can prevent the development of serious complications, such as blindness, kidney failure, stroke or heart attack. Check out the Lab Tests Online Web site to read more about these and many other important clinical laboratory tests.

Two, you can say thank you to the phlebotomist who collects your blood sample and the clinical laboratory scientists and technicians who perform the laboratory tests on it. These health care professionals provide timely, accurate test results that your doctor can use to diagnose and treat you. They are truly worthy of this year's theme, "Laboratory professionals get results."

Three, consider a career in the clinical laboratory. There is a critical shortage of laboratory professionals in the United States, making it difficult to staff vital positions in clinical laboratories. If you like science and want a career in health care, the clinical laboratory may be the place for you. To all of my hardworking colleagues at Pitt County Memorial Hospital, Physicians East and East Carolina University, happy National Medical Laboratory Professionals Week.

KATHLEEN
SCHULMAN
M.S., MT(ASCP)
Greenville SPgB
University display honors Brody Scholarship program

ECU News Services

East Carolina University has unveiled a commemoration to one of the school’s top scholarship programs and the medical graduates it has produced.

Called “A Legacy of Commitment,” the display in the lobby of the Brody Medical Sciences Building lists the students who have received scholarships through the Brody Medical Scholarship Program which provides a full scholarship to medical school along with other benefits to top students and honors the Brody family, which funded the program.

This year’s graduating Brody scholars, Emilie Elks-Pendley, Bradley Evans and Kathryn Laurie Green, assisted Dr. Paul Cunningham, dean of the Brody School of Medicine and president of the Brody Foundation, in unveiling the display April 3. The unveiling coincides with the 26th year of the program.

The Brody Scholarship includes opportunities to plan and host a health care symposium, study abroad and more. Since the program began in 1983, 109 students have received scholarships. Most scholars stay and practice in North Carolina, many in the east, a goal of the program.

The Brody Scholars program honors J. S. “Sammy” Brody. He and his brother, Leo, were among the earliest supporters of medical education in eastern North Carolina. The legacy continues through the efforts of Hyman Brody of Greenville and David Brody of Kinston. Subsequent gifts from the Brody family have enabled the medical school to educate new physicians, conduct important research and improve health care in eastern North Carolina.

Students can turn trash into Pirates Treasure

One person’s trash can become another person’s Pirates Treasure thanks to a program organized by ECU and the City of Greenville.

Instead of trashing reusable items, students are encouraged to drop-off their unwanted household goods, including furniture, kitchen appliances, clothing, non-perishable foods, lamps and more, at the Pirates Treasure donation site. From there, non-profit organizations and social services groups will distribute items to local families in need.

This spring, donations will be collected from 9 a.m. to 4 p.m., on ECU’s reading days, April 28 and 29. Items should be taken to the central drop-off point, the Willis Building at the corner of First and Reade Streets in Greenville.

Donations will be accepted by Pitt County Habitat for Humanity and Meals on Wheels.

ROTC to participate in West Point competition

East Carolina University’s Army ROTC program has been selected to compete in the 2009 Sandhurst Military Skills Competition, held Friday and Saturday in West Point, N.Y.

Sandhurst is a grueling, two-day competition that tests cadets’ ability to successfully complete a demanding course while applying military skills such as orienteering, treating casualties and basic rifle marksmanship. ECU’s team consists of nine Army ROTC cadets and two cadets as alternates.

The Sandhurst course requires cadets to demonstrate teamwork, cohesion and adaptable leadership skills as they navigate their way over obstacles, across rope bridges, and through a zodiac boat course and a “combat” swim leg in full military gear.

The competition will include 48 teams from the United States Military Academy, ROTC, the United Kingdom, Canada, Afghanistan, Australia, Chile, Spain and the United States Air Force and Naval academies. ECU is one of eight Army ROTC teams representing Cadet Command at this annual competition hosted by the USMA since 1967.

The Royal Military Academy team from Great Britain is the defending champion of the event, which has never been won by an ROTC team.

CONT...
Hamstring Hustle set for April 25

Runners and walkers can lace up their shoes April 25 for the 15th annual Hamstring Hustle 5K Run/Walk.

The race, presented by the Medical Student Council of Brody School of Medicine at ECU, starts at 10 a.m. at the Greenville Town Common. A portion of the proceeds will benefit the ECU Pediatric Healthy Weight Research and Treatment Center, a nonprofit organization dedicated to helping children overcome obesity and improve their nutrition.

Registration is $8 for children 12 and under with no T-shirt or $20 for them and all others with a T-shirt. Late registration begins at 8:30 a.m. the day of the event at the Town Common. Registration is also available online at http://www.active.com; do a classic event search for “hamstring hustle.”

Participants should be at the Town Common no later than 9:15 a.m. the day of the race. E-mail Jeremy Carter at jjc0118@ecu.edu for more information.

Student-produced programs on ECU-TV

ECU-TV and the university’s chapter of the National Broadcasting Society will present a half-hour program of student-produced television features and spot announcements.

“NBS Now!” features the stories, “Ross Jackson: Open Air Preacher,” “Gamers” and “Missing Peace,” as well as two public service announcements and a promotional video for NBS.

With the exception of the promotional video, which was created by NBS members, all of the content came from students in ECU video production classes.

NBS is a club for all students, especially those interested in pursuing a career in broadcasting or communication.

The program will air on Monday, Tuesday and Friday at 9 p.m. this week and next on ECU-TV (Greenville Sundaylink Cable channel 99). Viewers can also watch ECU-TV on the Web at http://www.ecu.edu/cs-dhs/ecutv/Watch-ECU-TV-Live.cfm.

Upcoming events:

- Monday — Science Café, 5:30 p.m.: ECU scientists and engineers will meet with the general public at Ham’s Restaurant on Evans Street in Greenville to discuss current research and its implications. Speakers will be David Chalcraft and Jason Bond on, “Banking on Your Future: The Value of Saving Our Planet’s Biodiversity.”

- Friday — Vocalist Nnenna Frelon performs with the ECU Jazz Ensemble during the Billy Taylor Jazz Festival, 8 p.m.: Concert will be held at the Greenville Convention Center. Tickets are $15 to $35. Festival starts April 16 at 8 p.m. with a free performance by ECU Jazz musicians at Glennon’s in the Hilton Greenville.

- Saturday — Pirate Alumni Road Race and Fun Run, 9 a.m.: Race begins in Reade Circle. All proceeds benefit East Carolina Alumni Association scholarships.

See www.ecu.edu/cs-ecu/calendar.cfm for times, places and more information on these events and other ECU upcoming activities.
Businesses say city has left them hanging

By Kathryn Kennedy
The Daily Reflector

Sunday, April 12, 2009

As an effort to connect East Carolina University with Pitt County Memorial Hospital by a central road reaches the halfway mark, business owners along the proposed route say the city has left them hanging.

Planning for the Stantonburg Road/Tenth Street Connector project began in 2005. Land acquisition won’t begin for what will become a mile-long divided four lane road — with a planter median, sidewalks and a bike lane — until 2011 at the earliest, City Engineer David Brown said.

Project directors are choosing between three final routes, but there are certain properties that will be affected regardless. One of these is Cox and Hardee Welding, whose Farmville Boulevard location opened almost 60 years ago.

“They’re not prepared for the business angle,” owner Jeanette Cox said of city officials. “They’re focusing on their residents, which is good because they’ve got to move their houses. But this is a huge business and not easy to move.”

After attending an input meeting in March for affected residents and businesses, Cox said she felt like she came away with no answers.

Fourteenth Street’s Air Mania owner Melinda Gorham had a similar reaction. She and her husband have carved out a business covering small orders for screen printed and embroidered promotional products.

“Greenville has pushed bringing small business to West Greenville,” Gorham said. “We bought this building ... came over to the ‘bad’ side of town and have built a reputable business. We’ve made it work.”

City council approved a program in Feb. 2007 to help homeowners relocate nearby. They’ll have a choice and some funding to either move their existing home, have land to build a new home or purchase a new residence. Community Development Director Merrill Flood said renters and will be cared for through partnering agency North Carolina Department of Transportation’s existing programs.

NCDOT helps renters relocate by examining the rental marketplace and covering any cost increase a renter would incur by moving for 42 months, according to Right-of-Way Agent Nancy Wilson. The federally-created program also covers relocation costs.

For businesses, they reimburse re-establishment expenses up to $10,000, or as much as a $20,000 fixed payment depending on annual earnings.

Cox said, without doing the math, she doesn't think it would pay for much. She said industrial park land and rebuilding will be “astronomical.”

City Manager Wayne Bowers said Thursday that the city is planning to schedule an additional group meeting aimed at commercial property owners before the next general presentation April 30. That's the kind of treatment the entrepreneurs say they deserve.

“I’m still here,” Gorham said. “I'm still paying property taxes.”

Contact Kathryn Kennedy at kkennedy@coxnc.com or (252) 329-9566.
Recession hits students who need jobs for diploma

The Associated Press

Sunday, April 12, 2009

MONTGOMERY, Ala. — For some high school seniors, landing a job means more than extra cash for the movies or the mall — getting a paycheck means a chance to graduate.

Yet many schools that place special education students in paid jobs leading to so-called "occupational diplomas" are finding their work cut out for them: soaring joblessness means restaurants, small businesses and retailers that for years provided jobs to students with disabilities are increasingly hard-pressed to help in a sour economy.

"Times are different than they've ever been," said Butch Starnes, director of a career technical center who regularly places students in jobs in northern Alabama.

"A lot of systems are having this problem where you have teenagers competing for jobs with 40- and 50-year-olds now that are back in the job market looking for anything to help put food on the table," Starnes said.

The occupational diploma programs emerged in recent years across some Southern states — Alabama and Mississippi included — to help young people with disabilities enter the workforce through paid jobs while they complete high school. Hundreds have used the programs to acquire the skills employers demand, often landing permanent jobs after graduating.

Yet this isn't a normal economy, and the work force is shrinking daily.

Tommy McWhorter, who owns a Piggly Wiggly supermarket in east Alabama's Chambers County, has employed three occupational diploma candidates on average each of the past eight years. He didn't take any students this year as his staff shranked from 22 to 15 workers.

"When minimum wage went up, and gas went up, and plastic went up ... everything hit us at one time," he said. "We had to take cuts, and in retail the first cut is naturally payroll."

Diane Sheriff coordinates the occupational diploma program for the county, where the jobless rate is approaching 18 percent. Students in her watch were among those McWhorter had to turn away.

"We had seven students eligible and only three of the seven have been able to find jobs," she said. "So many businesses around here are laying off, they just don't need extra help."

Never mind that many would-be employers see the occupational diploma as a sign of skilled workers ready to deploy.

A 2008 survey published in the Journal of Disability Policies showed 80 percent of employers were inclined to hire those with occupational diplomas, while only 55 percent were likely to hire those with mere certificates of completion or achievement — the most common option for special education students.

Most in special education qualify under federal guidelines because of some life-impacting physical or mental impairment.

Thus when Wal-Mart recently announced that layoffs could be in the future of the world's largest retailer, those who run occupational diploma programs began worrying their students could become eventual casualties of the downturn.

"My first thought was 'Oh my goodness, I hope this isn't going to affect us,'" said one special education director, Susan Currie, in Alabama's Madison County system.
She said nearly all the county’s occupational development program seniors — 20 out of 25 — have been placed in jobs this year, mostly at Wal-Mart. But she’s worried about those who come next. "Our kids will be the first to go," she said.

In Mississippi, special education bureau director Tanya Bradley said school districts where jobs are scarce are providing the jobs themselves — putting the students in cafeteria posts and in-house child care work.

"It is critical that these students have this opportunity," Bradley said. "If they cannot pursue a standard high school diploma, this is the next best thing for them."

No national agencies or organizations keep track of the number of special education students seeking the occupational diplomas, nor even how many are unable to find work in the recession. Alabama and Mississippi are believed to be the only states offering those diplomas statewide this academic year. Similar programs are scattered across school districts elsewhere.

Alabama’s occupational diploma requires 270 hours of paid employment and Mississippi, 580 hours. But Mississippi students also have the option of taking a two-year vocational training program starting in 11th grade and taking a test at the end to bypass the hourly work requirement.

Becky Dean, director of special education for Mississippi’s Tunica County Schools, said she often encourages students to take the two-year route because it can be just as helpful in gaining post-graduation employment while avoiding problems finding work in a dismal job market.

"To me, those vocational classes carry a lot more weight," she said. "A lot of times in say a building trades class, word gets around who can do the work and who’s a good performer. They get set up for jobs that way."

Some schools have suggested waiving some of the required work hours until the economy improves.

But David Johnson, who directs the Institute on Community Integration at the University of Minnesota, said easing requirements isn’t the answer. The institute aims to improve services and support for the disabled through research and training.

"There’s no easy solution to this," said Johnson, who called on schools to work more with employers and their state labor departments on the issue.

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Senate budget shifts from NC education constants

The Associated Press

Sunday, April 12, 2009

RALEIGH, N.C. — When the Senate passed a $20 billion state government budget for next year, Democrats who wrote it said they tried to limit the pain in the classroom for the public schools during the deep recession.

But efforts to economize have gone beyond normal penny-pinching.

The Senate plan would harm the highly praised More at Four prekindergarten program, increase public school class sizes, suspend performance-based teacher bonuses for a year and scale back standardized student testing that made North Carolina a leader in K-12 accountability in the late 1990s.

The changes approved last week represent a significant shift — or U-turn in some areas — away from policies to which legislative leaders and Democratic governors have been linked closely over the past 15 years and on which they’ve run successful campaigns.

"Nobody can deny that," said Sen. Vernon Malone, D-Wake, co-chairman of the education budget subcommittee, adding that some cuts were necessary because there wasn’t enough support to seek beyond $500 million in additional tax revenues next year. "We had no choice. We agonized over this but we had no choice. We had to find the money somewhere."

The Senate’s approved two-year budget is now in the House, where lobbyists for school administrators, preschool programs and Gov. Beverly Perdue are likely to hold some sway. Federal stimulus funds also should compensate for some of the state spending reductions.

But House members warned its version of the budget may require deeper state cuts if tax collections are worse than expectations at the April 15 tax deadline. All of public education — including the University of North Carolina and community college systems — comprises nearly 60 percent of the entire state budget.

"In a year like this, cutting only $40 million out of More at Four might be a win for More at Four," said House Speaker Joe Hackney, D-Orange. "You can’t address a shortfall of this magnitude without affecting education in some significant way."

The Senate’s largest proposed changes affect how the More at Four program is run and reverse a trend of lower class sizes.

In 2001, then-Gov. Mike Easley persuaded lawmakers to create More at Four and lower student-teacher ratios in early grades, saying they would best help prepare students to compete for jobs in high-tech fields that are replacing traditional manufacturing.

The state now spends $171 million annually on More at Four, which provides free, high-quality preschool to 32,000 at-risk 4-year-olds in public and private schools.

But the Senate wants to shift More at Four from the Department of Public Instruction to the Department of Health and Human Services, reducing funding by nearly 25 percent and tack it on to an initiative that rates child care centers. Less money means fewer 4-year-olds will be able to participate and less money allocated for each child slot.

The changes, if approved, could jettison North Carolina’s preschool program from one of the nation’s best to among the worst, said Steve Barnett, co-director of the National Institute for Early Education Research at Rutgers University.

"When you take educators out of the picture, you’re asking for disaster," said Barnett, who co-authored an
annual report last week praising More at Four for its high level of quality. "What's sad is North Carolina had this right. North Carolina was really poised to move forward and be the national leader."

Senate leaders have said many lawmakers have wanted to consolidate More at Four with other early childhood programs to save administrative costs. The Senate says the hybrid program will have teacher qualification and curriculum no less stringent than what More at Four requires.

The Senate's proposal to raise average student-teacher ratios in all grades by two students would undo the 18-to-1 student-teacher ratios in kindergarten through third grade currently paid for with state lottery profits.

Senate leaders say the shift would be temporary but save $322.7 million annually in teacher salaries. Perdue and the North Carolina Association of Educators are opposed to the idea, arguing that more than 6,000 teachers could lose their jobs.

"Class size is the proven and effective intervention in helping low performing schools and in giving students more educational attention," association president Sheri Strickland said.

Legislative leaders say the losses would be met by the regular rate of teacher turnover already in the public schools.

Sen. Linda Garrou, D-Forsyth, co-chairman of the Senate Appropriations Committee, said senators also want the number of standardized tests scaled back because parents and teachers have complained there's too much emphasis on them.

Bill McNeal, executive director of the North Carolina Association of School Administrators, doesn't believe legislators have quit on smaller classes or good preschool programs. They're relying too much on federal stimulus dollars to make up for the fiscal pain they're causing. But school districts are worried that not all the money will trickle down to them.

"I fully recognize that (senators) were between a rock and a hard place," McNeal said, but added: "How do you build a budget based on the unknown?"

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COX

NEWSPAPERS
Jobs still there for college graduates

By Josh Humphries  
The Daily Reflector  
Saturday, April 11, 2009

This may be the worse possible time to graduate from college and begin a job search, but there is hope.

East Carolina University Career Center assistant directors Cathy Moore and Anna Scarff gave a talk on finding a job in the current economy Thursday in the Bate Building as part of the university's Real Life 101 series of lectures and panels.

About 10 students listened to tips on the best ways to find a job when employers are expecting to cut college hiring by 22 percent compared to last year.

Though there has been a dramatic decline in finance and professional services hiring, there are still jobs out there, Moore said, but it's not a "seller's market" anymore.

"Employers with jobs are in the driver's seat," she said.

"They are looking at it as — this is what we need, and you better have what we need."

But it's a myth that no one is hiring, Moore said. She named companies that are continuing to hire college graduates, including AT&T, Amedisys Home Health Services and United American.

Moore said applicants should research the company when applying.

"Know about the company. Don't make them think that you are sending out a generic cover letter to every company you can find," she said.

"Tell them what you know about them, something that makes you stand out and shows that you did your homework."

Moore gave the students tips on job searching that included getting part time jobs, freelancing and updating skills. She advises the students to use social networking sites like MySpace and Facebook because companies have reported that they are using those sites to screen applicants.

"Job searching is a full-time job, and you need to be willing to put in the time to do it," Moore said.

Scarff said students should find ways to make themselves stand out to employers by using unique approaches to recruiters.

Employers are looking for applicants who are confident and present themselves in unique ways instead of being timid and relying on old methods like generic e-mails and letters, Scarff said.

Contact Josh Humphries at jhumphries@coxnc.com or (252) 329-9565.

Where employers are looking:

55 percent of companies polled by the career center say they use referrals and networking to hire new employees;

47 percent said they use Internet postings and company web sites;

36 percent said they find new hires at career or job fairs.
April 11, 2009 Darts and Laurels

Saturday, April 11, 2009

Laurels — To the Pitt County Special Olympics, held Wednesday at J.H. Rose High School. The games were scheduled a week earlier, but severe weather forced a postponement for the 300 area athletes who competed in the track and field events. Thanks go out to the nearly 500 volunteers on hand, without whom these games could not be a success.

Laurels — To the holy days of Easter on Sunday and the ongoing observance of Passover. The Christian and Jewish communities mark these times as among the holiest on their calendars, with Easter commemorating the crucifixion and resurrection of Jesus and Passover remembering the time when the Jewish people escaped slavery in Egypt. A very happy Easter and a pleasant Passover to all.

Darts — To the heavy congestion expected on state roadways this weekend as motorists travel on the three-day weekend that began Friday. Though gas prices have been steady of late, the North Carolina Highway Patrol has announced its intention to be out in force, nabbing speeders and halting reckless and aggressive drivers. Please take it easy on them and travel with patience and care this weekend.

Darts — To the small funnel clouds spotted near Pascolus on Monday, tornadoes that sent nearby residents, students and workers scurrying for shelter. The two twisters did not touch down or cause any damage, but they did provide a harrowing start to the week for many in northern Pitt County, particularly since they arrived on the heels of a stronger tornado that touched down on March 24.

Laurels — To this weekend’s important home baseball series between East Carolina University and Rice University. The Owls come to Greenville boasting a No. 3 ranking in a key collegiate poll, while the Pirates hope to right the ship after posting two losses this week. East Carolina can benefit from the boisterous backing of the Pirate faithful, so get out to Clark-LeClair Stadium and help the team.

Darts — To the state’s delay in paying refunds on individual income tax, one credited to a lack of available funds in Raleigh. It was announced that the Department of Revenue is about four weeks behind schedule this year, with the April 15 deadline approaching. For those in poor financial shape thanks to job loss or the contracting economy, such news is most unwelcome.

Laurels — To the hope that Thursday’s Greenville City Council meeting will finally settle the dispute over Unk’s, the Jarvis Street restaurant/nightclub that prompted creation of a new dining and entertainment ordinance. The council adopted the provision, inspiring hope that this will put the matter to bed for good.

Compiled by Brian Colligan, editorial page editor of The Daily Reflector. Contact him at 329-9507 or via e-mail at bcolligan@coxnc.com

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ECU faculty: Freeze hiring, end stipends

By Josh Humphries
The Daily Reflector

Thursday, April 09, 2009

East Carolina University faculty are calling for a hiring freeze and an end to administrative stipends in an effort to save their jobs.

The university is facing severe budget cuts that may result in the loss of up to 150 positions in the faculty.

The ECU chapter of the American Association of University Professors and the ECU Faculty Senate officers approved a joint resolution this week calling for the hiring freeze and the elimination of administrative stipends. The stipends cost around $4 million per year and are used to pay faculty and staff for assuming administrative duties such as serving as a department chair.

The resolution also claims that "there has been a lack of transparency in how the administration has arrived at its priorities and decisions."

But John Durham, ECU spokesman, gave a list of times the budget has been discussed including several open forums, forums with the faculty senate, Board of Trustees meetings and meetings with departments and colleges.

Chancellor Steve Ballard formed a budget task force to address the state budget cuts and several faculty members serve on the task force, Durham said.

Durham also said the university has had a hiring freeze since October of last year and is looking at cutting administrative stipends.

The faculty gets about 82 percent of administrative stipends, Durham said.

The university is facing a possible 7 percent cut in state funds that has resulted in energy saving policies, limited travel policies and may result in lay-offs and program eliminations across the campus.

Contact Josh Humphries at jhumphries@coxnc.com or (252) 329-9565.

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Senior class can't bank on jobs

Finance students seek other options after recession upsets career plans

BY CHRISTINA REXRODE, The Charlotte Observer
Comment on this story

They're seniors now, finance majors, and just weeks away from graduation.

Two years ago, that would have been exciting, as banks were crawling over one another to offer jobs to the smart kids. But the banking industry has fallen apart since then, leaving the students who planned to make their careers there frustrated, worried and uncertain about what to do next.

The banks - the ones that remain, anyway - have practically ceased recruiting. They're
struggling in a falling economy, weighed down by new regulations and vilified in popular opinion.

Investment banking, which for years provided a quick path to big money for many young graduates, has been hit especially hard. "I'm finally finishing my degree," said Chris Bechtol, a senior at UNC-Charlotte, "and the world is ending."

Bechtol, 31, came to UNCC for a finance degree, after marking gas lines for a utility. He hopes to work in wealth management, though he now says he's open to just about anything related to finance.

Of 25 seniors in his commercial banking class, just two have jobs lined up. Another plans to volunteer for a year with AmeriCorps. The rest are still job hunting, and say they'll just keep looking until something turns up.

Their professor, Tony Plath, considers it the worst job market for finance professionals in 70 or 80 years. But he's also hopeful that the multitude of new banking regulations, which the government has been churning out since last fall, will create jobs in Charlotte.

It's too late for the seniors to change their majors, and in a recent class, no one indicated that they really want to anyway.

Finance is interesting, they say, and challenging, and after all, their friends in other majors are also struggling to find jobs.

It's just that they thought finance would provide job security and good pay, especially in a banking center like Charlotte.

"Heating and air's starting to look pretty good," said Jon Ensor, 29.

"Engineering doesn't look too bad," added Michael Earman, 21, who struggled two years ago to choose between studying that or finance.

Plath's students are unimpressed by how the government has handled the banking system's meltdown. ("They started too late, and they didn't have a plan," says Joshua Webb, 23.)

They're annoyed by President Barack Obama's recent remarks that he'd prefer for smart students not to become investment bankers but to do something "that actually contributes to making things and making people's lives better." ("Does he want stupid people in investment banking?" Bechtol says.)

They're upset by the bonuses awarded to AIG executives, but even more upset by the government's clamping down on them retroactively and the general vitriol of Congress toward bankers. ("Who are they to decide who makes too much money?" says Sid Lewis, 33.)

Government service

Still, no one says they'd turn down a position working for the government.

"It's a job," Lewis said.

"It's a resume builder," added Lauren Caporizo, 22.

Denise Dwight Smith, director of UNCC's career center, estimates that job recruiting at UNCC is down across all areas of study by 40 to 50 percent.

Wachovia, which used to be a big employer for graduating seniors, has put a hold on hiring as it's absorbed by Wells Fargo, according to Smith and career counselors at other N.C colleges. A few banks, such as Bank of America and BB&T, are still recruiting but have far fewer openings than in years past. And new graduates have to compete now with laid-off
bankers for those positions.

"The good old days aren't over," said Plath, the professor. "But they're gone for the next two or three years."

Smith, along with career counselors and professors at other N.C. colleges, is telling finance students to think beyond the "prima donna" Wall Street firms.

There may be better prospects at smaller regional banks, which have been less involved with toxic financial products; foreign banks, which aren't fettered by government bailout loans; and mortgage refinancing, which is enjoying a boom from low rates. They're also telling students to consider consulting firms, which are holding steady with government and contract work; and non-financial firms, most of which still need some kind of financial employees.

"We always encourage our students to think outside the box, but this semester I've seen more students say, 'OK, how far outside the box should I be looking?'" said Renee Patchin, who works with business majors in the UNCC career center. "Before, I think our students were just more comfortable with the big banks in our backyard."

Smith said she sees firsthand the emotional toll the financial meltdown is taking on students. "Some are absolutely fearful and panicked," she said. "There are others who are just avoiding it and moving back home."

The career centers are also telling students not to discount the value of an unpaid internship, though no one in Plath's class is really interested in that prospect.

"Student loans don't pay themselves," Lewis said. He briefly looked at the IRS, which is hiring, but now hopes to get a job at the corporate headquarters of the restaurant where he works.

He and his classmates say they're open to working for small or regional banks, but they're not interested in the sales jobs that some insurance companies are offering.

Tim Stiles, associate director of UNC-Chapel Hill's career center, says that many senior business majors tell him they wish they'd graduated a year ago.

"I tell them, 'Maybe you don't,'" Stiles said. "Because I'm hearing from some of our May '08 graduates who worked for six months and now they're out on the street. At least you didn't lock yourself into a lease in New York City."

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Game plans 'out the window' 

Lauren Caporizo, 22, is interviewing for a position with AmeriCorps, where she would work for a micro-lending project in Pennsylvania that makes small loans to entrepreneurs.

At the end of last summer, she turned down a job offer from investment bank UBS after finishing an internship in equities trading. The Swiss financial firm has a U.S. base in her hometown of Stamford, Conn., and Caporizo has spent every summer there since before her senior year in high school, starting in back-office work. "Label making, that was a strength of mine," she joked.

Caporizo said she doesn't regret walking away from a guaranteed job in a lucrative business, though it was a difficult choice. "It was a mini life crisis when I was going through that
decision," she said.

"But once you untie yourself from the monetary implications, you're OK."

AmeriCorps, she said, is something she's always wanted to do -- and this crisis makes it a good time to do it.

Chris Bechtol, 31, went to college after 10 years of marking lines for utilities.

He was tired of that business, tired of working outside, and ready to translate his fascination with finance into a job. He sped through school in about 21/2 years, watches CNBC "obsessively," and has been engrossed in financial news ever since he opened a 401(k).

He's interested in trading but doesn't want to move his wife, Magan, and 4-year-old daughter, Grace, to New York or Chicago. So he's looking for jobs in another area of interest, wealth management, but knows he has to be open to related fields.

Like his classmates, Bechtol says he's frustrated by the dismal employment prospects in his chosen field. "But being angry doesn't really do any good," he added.

Six months ago, he spoke to several companies that told him, "Call us when you're about to graduate. Now, they're laying off workers."

"I guess the biggest problem right now," Bechtol said, "is that any game plan that might have worked in the past is out the window."

Related Content
UNC doctor shines light on autism

Joseph Piven leads pioneering research

BY JESSE JAMES DECONTO, Staff Writer

CHAPEL HILL - In an office building near the Durham County line, therapists try to figure out why a 10-year-old can't understand his teacher above the background noise most can filter out.

A few miles away in Carrboro, parents learn how to teach their autistic children using games, puzzles and toys stacked from floor to ceiling along every wall of a clinic storeroom.

And in a biomolecular research building off Manning Drive in Chapel Hill, scientists observe genetically altered mice choosing to stick to themselves, as autistic people tend to do.

Overseeing all this research, treatment and evaluation of patients is Dr. Joseph Piven, who became director of the new Carolina Institute for Developmental Disabilities last fall.

One of the world's foremost autism experts, Piven is also a shrewd organizer who makes things happen.

"The thing I've done best in my career is to bring together researchers and clinicians," Piven says. "I've always had this self-doubt, that 'What am I actually bringing to this?' I think of myself sometimes as a science broker."

Major discovery

Though Piven thrives on seeing lab scientists and therapists learn from each other, he is a formidable scientist himself, a pioneering researcher on the genetic causes of autism and related disorders. His discovery in the early 1990s that people with autism tended to have
abnormally large brains has opened new lines of inquiry into the biological causes.

Fear of autism has led some families to forgo childhood vaccines, but Piven says there's no evidence of any link. He says autism is a complicated disorder with many different causes, but research could lead to highly effective treatment or even a cure for some types of autism.

"Doctor Piven's work is really on the forefront of making sure that more infants with autism become children who can live to their full potential," Dr. Tom Insel wrote in e-mail. Insel is director of the National Institute of Mental Health, which provides part of the funding for Piven's $25 million institute.

Piven never intended to be an administrator, or even a researcher.

After medical school at the University of Maryland in his home state, he took an internship in internal medicine at Good Samaritan Hospital in Phoenix. He had two weeks of vacation and decided to use one on a trip to Mexico. That left one week to squeeze in interviews for his residency.

He went home to Maryland and interviewed at his alma mater's hospital and at Johns Hopkins University, which hired him as a resident in psychiatry. He intended to work in private practice as a psychoanalyst.

For the last six months of his residency, though, he took advantage of an exchange program with London's Institute of Psychiatry, trading homes and cars with a German psychiatrist. Given his choice of assignments, Piven says, he didn't care as long as he wouldn't be on night call.

"Child psychiatry was the only thing that didn't have night call," he recalls. "It was actually sort of an accident."

This accident put him in the employ of Sir Michael Rutter, considered the world's pre-eminent expert in child psychiatry. Rutter published a landmark study in 1977 suggesting that identical twins were more likely than fraternal twins to share autistic tendencies.

This study, co-written by Johns Hopkins' Susan Folstein, pointed to a strong genetic link for autism. The finding helped to dismiss a popular but controversial assumption that autism was a social disorder caused by emotionally detached mothers.

Piven returned to Johns Hopkins for additional fellowships in child psychiatry under Folstein, advancing the genetic research into autism that his mentors had initiated.

Genetic links

Over 25 years, Piven's career has taken him to the University of Iowa then back to the East Coast for a post at UNC-Chapel Hill, where he has worked since 2000. His research was among the first to explore milder social and linguistic challenges among family members of autistic people. He was also among the first to link autism to brain size.

Piven's discoveries on the genetics of autism are "being used in large-scale genetic studies worldwide," says Geraldine Dawson, who founded the Autism Center at the University of Washington before joining Piven at UNC-CH last year.

Clayton resident Maggie Dennison's 14-month-old son, Jacob, is involved in Piven's study of brain development in younger siblings of autistic children.

Autistic babies' brains tend to show abnormal growth around their first birthdays, even if their brains were developing normally before that.

Under the auspices of the new institute's research arm, the Neurodevelopmental Disorders
Research Center, Piven is trying to find out whether their non-autistic siblings show a similar trend.

"My husband and I are all for any kind of research that will help them find out why," says Dennison, who moved her family from New Jersey because they found better services in North Carolina. "Financially, we couldn’t give millions of dollars, so we figured this was a way we could give back."

Families, therapists and scientists all come together under the umbrella of Piven’s institute.

Besides the research group, the institute encompasses the TEACCH program, which became a global model for autism treatment after founder Eric Schopler started empowering parents to help their children, rather than blaming them, in the 1960s.

It also includes the Family Support Network, a clearinghouse directing families toward disabilities-related services inside and outside the university system; and the Clinical Center for Development and Learning, which helps families tackle complex developmental disorders.

Piven "brings a lot of people together from different fields," UNC neuroscientist Robert Peterson says. "Anytime you can get people from different disciplines together, you’re more likely to come up with different ideas."

Piven’s institute includes 63 investigators, all working under a variety of grants totaling $38 million a year on top of the institute’s core funding.

"Joe has a great mind and is always asking new questions," Dawson says. "More than that, Joe’s a generous person who finds the time to help a colleague or junior scientist."

Medical school Dean Bill Roper agrees.

"He has the personal qualities of working well with people and helping other people to be successful," Roper says.

jesse.deconto@newsobserver.com or 919-932-8760

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Joseph Piven

Born: Baltimore, Nov. 2, 1954

Family: Wife, Mary Lynn Scotton Piven; son, Benjamin Scotton Piven, Washington; daughter, Micah Gabrielle Piven, Chapel Hill

Education: Bachelor’s degree in psychology, University of Maryland; medical degree, 1981, University of Maryland; psychiatry residency, Johns Hopkins University, 1982-1986

Career: Director, Carolina Institute for Developmental Disabilities; Sarah Graham Kenan Professor of Psychiatry, Pediatrics and Psychology, UNC-Chapel Hill; editor-in-chief, Journal of Neurodevelopmental Disorders

How he got into child psychiatry: "It was actually sort of an accident."

Names for lab mice: Mickey and Minnie

Secret to obtaining grants: Wait until the people who like your idea are sitting on the review committee.
Doctor records going digital

More medical records are made electronic, but sharing ability is still limited

BY SARAH AVERY, Staff Writer

Comment on this story

The effort to computerize patient medical records got a boost this past week from the Obama administration, which announced it would build a model system for the military.

Still, a major effort remains to upgrade and integrate the myriad programs operated at local doctors' offices, clinics and hospitals.

In the Triangle alone, WakeMed, UNC Healthcare and Duke University Health System manage dozens of hospitals, clinics and physician practices that are using electronic records to varying degrees.

Hundreds more independent practices have taken the same leap.

Together they have spent tens of millions of dollars on computer programs that can document physician visits, log diagnoses, order prescriptions, upload X-rays or even allow patients to schedule appointments from their home computers.

But beyond the walls of their institutions, they have limited ability to share data - the key benefit of a technology that has been touted to improve patient care and drive health care costs down.

"It's not a simple transition," said Novlet Bradshaw, vice president of information technologies at Rex Healthcare, which has been switching to electronic records for three years.

What's needed, and what the Obama initiative will try to hash out with the military records, is a way to communicate across diverse and often competing interests, so that a patient who has had a battery of tests at one hospital doesn't have to undergo - and pay for - the same tests during a subsequent hospitalization elsewhere.

Ultimately, the first hospital could simply forward to the second hospital an electronic file of the patient's records - laboratory results, diagnostic scans, medication history and everything else.

Area hospitals recognize the need to create their own regional network. Dr. Robert G. Berger, director of medical informatics at UNC Healthcare, said he has called a meeting next month with his counterparts at the Triangle's other hospitals to seek federal stimulus money for a community network that would allow everyone to talk with everyone else.

"You have to have this inter-communication between the disparate systems," Burger said.

The elegance of the ideal, however, is fraught with complications.
One of the stickiest issues is how to protect patients' privacy when their records can be so freely exchanged.

Currently, area clinics and hospitals guard access to patient records with locking systems that require passwords. The systems also keep a log of who tapped into what files.

As more people have access to records, more opportunities arise for security breaches.

And then there are problems of computer system compatibility - a frustrating endeavor for any business or individual who has tried to link with another.

Consider the situation at Duke University Health System, which runs Duke University Medical Center, Duke Raleigh Hospital, Durham Regional and a host of affiliated doctor practices and clinics. Dr. Michael Russell, associate chief information officer for the health system, said the hospitals all had unique record systems and ways of identifying patients.

Their files had to be fed into a central hub and made uniformly readable so that a Duke orthopedist in Durham could access the record of a patient who appeared with a broken leg in the Duke Raleigh emergency room.

Getting a hospital online is like "changing the tires on a bus while it's running," said Dr. Ben Alexander, chief medical information officer at WakeMed.

And it's hugely expensive. Burger at UNC Healthcare said many small doctor practices could be left out of the entire movement, with the cost of computer programs running close to $100,000.

Small community clinics could also find it prohibitively expensive to go online. Wake Health Services, a nonprofit agency that provides indigent care at eight sites in Wake County, has invested $1.4 million to convert to electronic records - money it has received from grants.

As the clinic staff demonstrated the new program last week to U.S. Rep. Brad Miller, the organization's chief executive officer, Penella M. Washington, said she expected no financial return on the clinic's investment.

"So far it has saved us zero money," Washington said.

"We don't expect it will. This is about patients. If we were not doing this for patients and patient outcomes, we would be doing this for the wrong reasons."

The payoffs to patient care have been enough incentive to fuel the upgrades, but a big question arises over who will pay the colossal tab for systems that allow competing organizations to share files.

Financial stakes

Alexander said health care costs would decline on a broad scale as a result of the efficiencies of electronic records, but individual hospitals and clinics could stand to lose, because they make money on the very tests and procedures that are duplicated in the current environment.

"Those are all things the hospital makes money on," Alexander said. "So there's not much of an economic incentive - there's a moral and ethical incentive; you're looking at it from societal perspective, but not from an institutional perspective."

He said additional reforms are needed to make sure that doctors and hospitals are rewarded for appropriate care - that balance between too much and too little.

savery@newsobserver.com or 919-829-4882
Teaching more

I entirely agree with the April 9 Point of View article “Top-heavy at N.C. State.” A few more data may bring home the true impact of the university being top-heavy.

Most people might think that the vast majority of employees on campus would be full-time faculty. Not so. The number of full-time tenured/tenure track faculty is approximately 20 percent of the total number of full-time employees, or only one in five.

The significant increase in the numbers of administrators as opposed to the marginal increase in faculty is a major factor in the institution’s current inability to cover its teaching responsibilities. For example there are now some 73 dean positions (deans, associate and assistant deans) at NCSU and some 33 provost positions. I know that a few of these individuals do occasionally teach, but it is my experience that the vast majority do not.

If the chancellor were to require that all administrators were to teach just one class per year, students would be facing a far less dismal prospect of reduced numbers of classes and even larger class sizes. As a former chair of the Mathematics Department (which is larger than several of the colleges) I always taught at least one class each semester.

Ernest Burniston
Professor of Mathematics, N.C. State University
Raleigh

Provosts proliferate

The April 9 Point of View piece by Jerry Whitten and Marie Davidian was right on the money. Simply, the top-heavy administration at N.C. State University is burdensome for the efficient operation of the university. The university’s mission is teaching, research and extension, but the salary structure indicates that its mission is an end in itself, namely administration. The bloated number of administrators effectively restricts, hampers and thwarts teaching, research and extension.

Administrators work hard on their assigned duties. The problem is the cumulative effects of the proliferation of administrative positions. Every semester I deal with graduating seniors who cannot get a seat in a class required for graduation. Shame. I suspect that the only limitation on the numbers of assistant and associate vice-chancellors and provosts is the number of parking spaces on North Campus.

John Riddle
Raleigh

The writer is an N.C. State distinguished professor emeritus, a former chair of the Faculty Senate and a recipient of the university’s highest faculty award.
Effective budgeting at N.C. State

Regarding the April 9 Point of View article "Top-heavy at N.C. State":

As we face the realities of shrinking budgets, N.C. State University has taken the approach of protecting classroom and laboratory teaching activities as we have done historically. For example, in planning for next year's budget, we have held reductions to seats in classes to about 1 percent, while other areas of the university have taken reductions of more than 7 percent.

The university has developed its plan for addressing this year's budgetary challenges by using an open process that has involved consultation with faculty, staff and students and working through our University Budget Advisory Committee as well as using our established budget principles.

These principles influence how we manage the budget dollars available to us, not just how we apply reductions to our budget. Our budget principles parallel the agenda established by UNC President Erskine Bowles' PACE initiative in which the UNC system trimmed about $32 million from the non-academic side of operations in the first year.

While it is true that the number of tenured and tenure-track faculty has been flat over the last five years, the number of full-time teaching faculty has increased by about 40 percent. The university has also added more academic advisers, freeing tenured and tenure-track faculty to be more focused on teaching, research and outreach.

It is misleading to state that the number of administrators exceeds 500. In reality, the university has about 250 positions that are classified as administrative and academic officers. Many of them hold faculty rank and teach. While we place classroom activities first in our budget principles, we also recognize that students learn outside of the classroom and laboratory. We have expanded opportunities for undergraduate research, service learning and leadership development. All such activities require administrators to create, implement and manage those student opportunities.

N.C. State also has a statewide mission in outreach, economic development and applied research. Among dozens of examples, let me cite just two. The university worked with the Department of Commerce to bring Spirit Aerosystems and 1,000 jobs to Kinston. Also, working with industry and nonprofit partners, N.C. State created the Virtual Computing Lab or VCL. The concept takes the cost out of computer maintenance, technical support and software applications.

N.C. State is making VCL technology available to North Carolina school systems free of licensing fees. Much of this work is performed by personnel classified as administrative rather than as faculty.

It is noteworthy that on the day of this Point of View, an N&O editorial lauded three N.C. State students for their creation of a method that tests for tuberculosis and gives virtually instantaneous results at a cost of about one dollar.

The results of the university's work indicate that we have been good stewards of taxpayer dollars. N.C. State will continue to graduate students ready to hit the ground running and we will continue to make strong and direct contributions to the economic health of the state. None of that vital work happens without faculty and staff support.

James Oblinger
Chancellor
N.C. State University
Raleigh

The length limit on letters was waived to permit a fuller response.
Word of God senior John Wall, a point guard, is the top-ranked high school senior basketball player in the country, according to rivals.com.

SHAWN ROCCO, Staff File Photo by Shawn Rocco

Word of God's John Wall drives to the basket in the first half of a game at Ravenscroft School on Feb. 4.

Ethan Hyman, Staff File Photo by Ethan Hyman

Taylor Moseley, a fan of Wall and a freshman at NCSU, made a new Facebook page, above.

Frame grab from Facebook page

NCSU stops John Wall Web site

Fearing NCAA violation, State shuts Facebook group
BY ROGER VAN DER HORST, Staff Writer

The frenzied pursuit of high school star John Wall of Raleigh has galvanized college basketball fans to get involved in an interactive way via Facebook and other social networking Web sites. That has schools concerned about running afoul of NCAA rules.

Thursday morning, N.C. State asked Taylor Moseley, a freshman, to shut down "John Wall PLEASE come to NC STATE!!!", a Facebook group that drew more than 700 members. By Thursday night, it was gone. Moseley started a new group -- "Bring a National Title back to NC STATE!" -- that makes no mention of Wall but includes a photograph of the senior at Raleigh Word of God, who is widely considered the nation's best point guard prospect.

The Wall craze points to the immense challenge facing the NCAA and individual schools, which are trying to regulate contact with recruits when the means of communicating electronically seem to be changing every day.

"NCAA legislation hasn't caught up with technology, and that's being discussed nationally," said Michelle Lee, N.C. State's interim associate athletic director for compliance, who sent a letter to Moseley requesting that he close the original group. The letter followed an article published Tuesday in N.C. State's student newspaper, the Technician, reporting the possible NCAA violation.

"Should this activity not cease and/or it continues in the future, we will have no choice but to take further action," Lee's letter said.

Further action against Moseley, she told The News & Observer, "could be anything from preventing him from getting student tickets to athletic contests to disassociating ourselves from him, just like we would any other booster."

Backing down

She described him as "apologetic" and "willing to do whatever it took to rectify the situation."

Moseley declined to comment Thursday night.

The NCAA made clear to N.C. State that it considers such sites a violation, Lee said. Making such a public appeal to Wall, in effect, turned Moseley into a representative of the university's athletic interests under NCAA Division I Bylaw 13.02.13.

NCAA spokesman Erik Christianson said the bylaw applies to "individuals who would develop a social networking site or use an existing one to send recruiting messages to prospective student-athletes. Those communications are not allowed."

As to whether the 13.02.13 trumps the First Amendment, "I think that comes up, but the institution has an obligation to say, 'For us to be a member of the association, we have to follow NCAA rules,'" said Shane Lyons, the ACC's associate commissioner for compliance. And the First Amendment restricts government, which the NCAA is not.

N.C. State fans are hardly the only ones courting Wall on Facebook.

One search turned up several such groups -- "Memphis Wants John Jimmy Wall," "Bring John Wall to Baylor," "John Wall in Memphis = Dynasty," "John Wall, come to DUKE!" and "John Wall Belongs at UNC" -- plus some dedicated to luring Wall to the University of Kentucky.

Micah Pearson, creator of the "Kentucky needs John Wall!" Facebook group said he believes the sites affect players' decisions.

"I have heard numerous players make comments about how crazy the UK fan base is," said
Pearson, whose Facebook group had 1,738 members as of Thursday afternoon.

Those members included Wall himself, according to Pearson.

The possibility that Wall also belonged to Moseley's group was among the factors that concerned the NCSU athletic department, Lee said. At least two John Walls appeared as members; three John Walls attend or teach at the school.

At the very least, the 6-foot-4, basketball-playing Wall is well aware of all the online interest.

"Yes, I saw that on Facebook," Wall said of the N.C. State group in a phone interview. "It was kind of exciting and funny. Things like that let me know how much people want me to go to their school and how all the hard work I have done over the years is paying off."

Lumping it all together

As far as the NCAA is concerned, there's no distinction between a Facebook member creating a John Wall group and actually going to Wall's own Facebook page and posting a persuasive message on, well, his wall.

"The NCAA lumps everything together," Lyons said.

By lumping everything together, though, the NCAA may be targeting an area so broad as to be practically unenforceable. How would a message board thread on an unofficial fan site such as PackPride.com, which is dedicated to following N.C. State sports, differ from a Facebook group in terms of improper recruiting contacts?

"It really doesn't," Lyons said.

Ultimately, the NCAA, the conference and the school want to limit recruiting contacts to designated representatives of the institution, such as coaches. Just how realistic it is for compliance officials such as N.C. State's Lee to keep track of all other forms of contact is another matter.

"We're probably not going to spend our day Googling and searching," Lee said. "If something's brought to our attention, we're going to deal with it."

Still out there on Facebook: "DeMarcus Cousins and John Wall -- come to North Carolina State University!!"

Staff writers Ken Tysiak and Tim Stevens contributed to this report.

roger.vanderhorst@newsobserver.com and 919-829-4558

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Plan to Change Student Lending Sets Up a Fight

By DAVID M. HERZSENHORN

WASHINGTON — The private student lending industry and its allies in Congress are maneuvering to thwart a plan by President Obama to end a subsidized loan program and redirect billions of dollars in bank profits to scholarships for needy students.

The plan is the main money-saving component of Mr. Obama’s education agenda, which includes a sweeping overhaul of financial aid programs. The Congressional Budget Office says replacing subsidized loans made by private banks with direct government lending would save $94 billion over the next decade, money that Mr. Obama would use to expand Pell grants for the poorest students.

But the proposal has ignited one of the most fractious policy fights this year.

Because it would make spending on Pell grants mandatory, limiting Congressional control, powerful appropriators are balking at it. Republicans say the plan is proof that Mr. Obama is trying to vastly expand government. Democrats are divided, with lawmakers from districts where lenders are big employers already drawing battle lines.

At the same time, the private loan industry, which would have collapsed without a government rescue last year, has begun lobbying aggressively to save a program that has generated giant profits with very little risk.

“The administration has decided that it wants to capture the profits of federal student loans,” said Kevin Bruns, executive director of America’s Student Loan Providers, a trade group that is fighting Mr. Obama’s plan.

To press its case, the nation’s largest student lender, Sallie Mae, has hired two prominent lobbyists, Tony Podesta, whose brother, John, led the Obama transition, and Jamie S. Gorelick, a former deputy attorney general in the Clinton administration.

For lenders, the stakes are huge. Just last week, Sallie Mae reported that despite losing $213 million in 2008, it paid its chief executive more than $4.6 million in cash and stock and its vice chairman more than $13.2 million in cash and stock, including the use of a company plane. The company, which did not receive money under the $700 billion financial system bailout and is not subject to pay restrictions, also disbursed cash bonuses of up to $600,000 to other executives.

Sallie Mae said that executive compensation was lower in 2008 than 2007 and that the stock awards were worthless in the current market.

Critics of the subsidized loan system, called the Federal Family Education Loan Program, say private lenders have collected hefty fees for decades on loans that are risk-free because the government guarantees repayment.
up to 97 percent. With the government directly or indirectly financing virtually all federal student loans because of the financial crisis, the critics say there is no reason to continue a program that was intended to inject private capital into the education lending system.

Under the subsidized loan program, the government pays lenders like Citigroup, Bank of America and Sallie Mae, with both the subsidy and the maximum interest rate for borrowers set by Congress. Students are steered to the government’s direct program or to outside lenders, depending on their school’s preference.

Private lenders say they still provide valuable service, marketing, customer relations, billing, default prevention and collection of delinquent loans. The lenders say the budget savings could be achieved without ending their role and are pushing to keep the current system in place, including an arrangement approved by Congress last year by which they are paid to originate loans but can then resell them to the government.

Martha Holler, a spokeswoman for Sallie Mae, said the company wanted a compromise. “To be clear, there are those who are fighting to preserve the historic financing structure for federal student loans,” she wrote in an e-mail message following up on a telephone interview. “Sallie Mae is not among them. In fact, we support constructive alternatives that would generate a similar level of taxpayer savings to achieve the administration’s important goals.”

Lenders are also emphasizing the jobs they provide.

Sallie Mae’s chief executive, Albert L. Lord, held a town-hall-style meeting last week at the company’s loan center in Wilkes-Barre, Pa., with two Democrats, Senator Bob Casey and Representative Paul E. Kanjorski, to announce the return of 2,000 jobs that were sent overseas in 2007.

Mr. Lord, in his opening speech, insisted that Mr. Obama’s proposal offered new opportunities, but he said he would fight to keep the current system mostly intact.

“We can either meet or beat the budget savings that are in the president’s budget with the exact same system that we have got working now with maybe a few tweaks,” he said.

But to preserve a profitable role for private lenders and still achieve Mr. Obama’s savings seems extremely difficult if not impossible.

Last year, to keep education financing from drying up, Congress expanded the government’s role, including the repurchase of loans, which Sallie Mae and some other lenders say should be mandatory going forward.

“When you add that all up, a very legitimate question to ask is why do we even need private lenders,” said Representative Timothy H. Bishop, Democrat of New York and a former provost of Southampton College.

For Mr. Bishop and many other education advocates, Mr. Obama’s plan to expand the existing direct loan program used by more than 1,500 schools is obvious and long overdue.

But the administration has a fight on its hands.

“The president’s proposal,” Representative Allen Boyd, Democrat of Florida, said in a floor speech, “could be detrimental to thousands of employees who serve in the current student loan industry throughout this country,
650 of which are located in Panama City, Florida."

In some states, student loans are administered by quasi-governmental agencies that benefit the same as private lenders. To appeal to these states, the administration has proposed $500 million a year for financial literacy programs and other services the agencies provide.

Political opposition may be harder to overcome.

Representative Howard P. McKeon of California, the senior Republican on the education committee, said Democrats should not cut out private lenders. "A government-run, one-size-fits-all program is not the answer," he said.

But some lawmakers have no sympathy for an industry now kept afloat by taxpayers.

"If the banks complain that they are getting cut out," said Representative Barney Frank, Democrat of Massachusetts, "too bad."

At the Wilkes-Barre event, Mr. Lord of Sallie Mae acknowledged his industry's reliance on the government. "I don't see private capital financing student loans, certainly any time soon," he said.

Even as lenders fight the president's plan, Sallie Mae and others are bidding for work that will remain if it is adopted — contracts for loan servicing and other back office operations.

The president's plan would use the money from direct lending to help increase Pell grants and make them mandatory, with annual increases tied to inflation, providing a much-needed measure of certainty for students. That would limit Congressional control over the grants, an idea appropriators are not keen on, but the White House and Congressional leaders say they are open to negotiation.

Anticipating a ferocious legislative battle, Representative George Miller, Democrat of California and chairman of the education committee, is weighing all options.

"Chairman Miller's priority is to make our federal student loan programs as reliable, sustainable and efficient as possible for students, families and taxpayers," his spokeswoman, Rachel Racusen, said.

Jonathan D. Glater contributed reporting.
Former NL pitcher dies in single-vehicle accident

Bryan C. Hanks
April 10, 2009 - 9:27PM

LA GRANGE - John Alphin, a state championship pitcher and outfielder at North Lenoir High School, died in a single-vehicle accident Friday.

The accident happened in the Shine community of Greene County at around 4:30 p.m. State Highway Patrol Trooper Billy Beaman said as Alphin was driving west on Hart Road, approaching the intersection at Shine Road, he ran off the right shoulder of the road and overcorrected.

His Toyota pickup truck then skidded, overturned and landed in a nearby resident's yard, where Alphin was ejected from the vehicle. Paramedics transported him to Wayne Memorial Hospital, where he was pronounced dead just after 5:30 p.m.

Beaman said there was no indication that Alphin was speeding or intoxicated.

Alphin graduated from North Lenoir in 2008 and was a freshman at East Carolina University. He was 19.

A former teammate, current North Lenoir senior Tyler Potter, said he was in shock when he heard the news after baseball practice on Friday.

"I was really shocked almost to the point of disbelief," Potter said. "I am pretty tore up; it really hasn't sunk in all the way yet."

Alphin was a three-time all-state performer for North Lenoir and veteran Hawks coach Jim Montague.

"John was just a fantastic individual," Montague said. "(He) did everything in the classroom, in the community and on the athletic fields. It's just a sad moment."

North Lenoir junior varsity baseball coach Jonathan Davis echoed Montague's sentiments.

"Nobody played harder than John," Davis said. "He always gave it his all, on the field and in the classroom. He's just a great kid from a great family."

Alphin was only a sophomore at North Lenoir when he made a huge splash on the local prep sports scene. He was the third starting pitcher behind Sthil Sowers and Brandon Sutton, who were one year ahead of him. He also started in the outfield when he wasn't on the mound.

Alphin was a part of the 2006 2A state championship team and the 2007 2A runner-up. In 2008 - despite playing with a severely-injured shoulder - Alphin helped will the Hawks to the
fourth round of the 2A playoffs, where they lost to the eventual state champions.

"When John stepped on the mound, good things happened for North Lenoir baseball," Montague said. "Even before he threw his first pitch, we knew we were going to be in the ball game that night and John was going to keep us in that ball game."

Potter said Alphin was the ultimate team player.

"He was probably one of the best teammates I ever had," Potter said. "He always led by example, but he was a vocal leader, too. He made the game fun to play."

He is the son of Carlton and Lisa Alphin and the brother of Jacob Alphin, who also played at North Lenoir and was the MVP of the 2005 2A state championship.

"It's Lisa, Carlton, Jacob and John," Montague said. "When you mention one of them, you see all of them. My heart goes out to the Alphin family. Words just cannot describe how we feel right now."

Funeral arrangements for Alphin have not yet been set.

Sports Editor Ryan Herman and staff writer David Anderson contributed to this report. You can reach Bryan C. Hanks at (252) 559-1074 or at bhanks@freedomenc.com.