Editorial: East Carolina's plan for growth
Wednesday, July 6, 2011

East Carolina University released the final draft of its comprehensive master plan last week, proposing an impressive and ambitious vision for the next two decades. The blueprint would see the main campus advance dramatically to the north and west, dominating the center of Greenville, and utilize available space around the existing facilities on the health sciences campus.

The release of the document drew expected criticism over plans to demolish some existing structures and questions about possible parking scenarios. While these should receive consideration as the development of this plan proceeds, the community should look with enthusiasm on a proposal that would confirm East Carolina as an academic and economic hub for years to come.

Visit East Carolina's campus today and one is likely to catch a glimpse of the school's future. There, members of the class of 2015 are attending orientation sessions intended to familiarize future Pirates with the ins and outs of their new home and ease their transition into the bustling and independent world of college life.

By the end of their time in Greenville, those students should expect this summer's orientation to be significantly outdated. Construction continues to reshape the school's landscape, with the School of Dental Medicine poised to become the newest addition to the campus when its doors open in the fall. East Carolina must continue to grow at a rapid pace to accommodate student growth and maintain its incalculable value to the region and the state.

Maintaining a focus on the long-term needs of the institution prompted the development of a new comprehensive master plan. The process began in 2008 drawing together some
of the finest minds associated with East Carolina. Through years of hard work, public meetings, development and design, the plan's final draft delivered a vision for extensive changes to both university campuses.

If adopted, it would look to expand the main campus north along Reade Street, utilizing space now used for parking, and west, building new structures along 10th Street in a proposed “Warehouse District.” The health science campus would remain generally within its existing boundaries, but would be significantly more dense with the addition of several facilities, including a cancer center. The overall cost is projected at $2 billion and the plan sets a horizon of 20-25 years.

The state's financial status is sure to constrain progress as will numerous other obstacles, like those objections raised last week. However, East Carolina's ambition is well placed and, if realized, would mean tremendous benefit to all of North Carolina.
Havelock historian Eddie Ellis poses with some of the materials he has gathered over time on Sir Henry Havelock, for whom the city of Havelock was named. Ellis is donating the bulk of the material he has gathered on Sir Henry Havelock as well as the city, Cherry Point and eastern Craven County to the Joyner Library at East Carolina University in Greenville.

**Ellis makes large donation to ECU library**

Drew C. Wilson

HAVELOCK — Historian and author Eddie Ellis has donated the bulk of his lifetime collection of books and other materials to the Joyner Library at East Carolina University.

Ellis’ collection contains vast history about Sir Henry Havelock, the city of Havelock and eastern Craven County.

It will be held in the Special Collections Department’s East Carolina Manuscript Collection at the library.

“We are delighted to have this important collection,” Maurice C. York, assistant director for special collections, said in a written response. “It will be of great value to researchers interested in the history of Havelock, Cherry Point Marine Corps Air Station, New Bern, and Craven County.
“The books pertaining to Sir Henry Havelock already have been cataloged and are readily available for research. It will take some time to process the addition to Mr. Ellis’s papers, but we hope to be able to make these available for research in the near future.”

Ellis said he spent about a month putting the collection together for York to review.

“At the end of about a two-hour meeting, he said he wanted everything, which I found to be gratifying,” Ellis said.

Ellis said his information on Sir Henry Havelock, the city’s namesake, is just part of the collection.

“They really liked the (Sir Henry) Havelock material because it has come from all over the world,” Ellis said.

Most of the collection focuses on Havelock and eastern Craven County. He has been compiling the materials since he was a teenager living in Havelock while his father was in the Marine Corps.

“The bulk of the collection is about the early settlement of the community, maps, surveys, oral histories, collectible books, prints and maps, civil war material, letters that I’ve collected over a long time,” Ellis said. “It’s everything that I’ve been able to get my hands on over the years.”

Most of the 7 seven cubic feet of material has been added to the Edward B. Ellis, Jr. Papers held in the Special Collections Department’s East Carolina Manuscript Collection, York said. He said some of the printed material will be added to the North Carolina Collection, which houses primarily printed material about the state.

Ellis included back issues of four local newspapers, including the Havelock News from 1986 to 1993, the Windsock, from 1944 to 1945, The Markey Mailer from 1959, and the Jones County News/Shopper from 1975.

York said the newspapers will be microfilmed to ensure preservation, and copies would be available for purchase by local libraries.

“The main reason that I selected ECU is they are just an hour from Havelock and they are open seven days a week, and it’s the best repository for the people in the community,” Ellis said.

The collection is kept in a climate controlled environment and will also be put on the Internet.
Some of Ellis’ collection is already available for viewing on the Internet, including, among other things, a 1941 property map of Cherry Point, which is pertinent as the air base nears its 70th anniversary.

Information about the Special Collections Department and the North Carolina Collection are available by going online to www.ecu.edu/cs-lib/spclcoll/index.cfm or www.ecu.edu/cs-lib/ncc/index.cfm.

Drew C. Wilson can be contacted at 252-444-1999 or drwilson@freedomenc.com.

© Copyright 2011 Freedom Communications.
McAdoo sues UNC, NCAA for reinstatement

BY EDWARD G. ROBINSON III - Staff Writer

Former North Carolina football player Michael McAdoo, who was declared permanently ineligible last year for academic misconduct, has filed a lawsuit against the university and the NCAA seeking to restore his athletic eligibility to allow him to play for the Tar Heels this fall.

Filed Friday in Durham Superior Court, the lawsuit seeks unspecified damages against UNC and the NCAA, which is accused of "gross negligence" in ruling McAdoo ineligible on what the suit argues was inaccurate information. The suit identifies North Carolina chancellor Holden Thorp as a defendant in the suit.

A hearing has been set for July 15.

A defensive end who played in all 13 games of the 2009 season as a sophomore, McAdoo is one of seven Tar Heels who missed the entire 2010 season as a result of an NCAA investigation into academic misconduct and improper benefits among players.

McAdoo's lawyer, Noah H. Huffstetler III of the Raleigh office of Nelson Mullins Riley & Scarborough, said he wrote a letter to the NCAA on June 3 in an effort to offer an explanation of "why the facts underlying their decision to find Mr. McAdoo permanently ineligible were incorrect."

The NCAA was asked to respond by June 10. Huffstetler said he had not heard back by June 21 when the NCAA issued its notice of allegations to the university. That notice, which called for UNC officials to attend a hearing in
October, included the same allegations the NCAA had originally made against McAdoo.

"It became apparent to us that the NCAA was not going to respond to our effort to work this thing out without going to court," Huffstetler said. "And the only chance Mr. McAdoo would have of playing this fall - what would be his senior season of football - would be to file this litigation and seek a preliminary injunction."

Huffstetler said he is seeking an injunction that would direct UNC's chancellor to allow his client to play this fall while the case moves forward in court. Without an injunction, he could miss the season waiting for the trial to begin.

Efforts to reach an NCAA spokesman for comment were unsuccessful Tuesday. UNC football spokesman Kevin Best released a statement from the university: "We have received the lawsuit and we are currently reviewing it."

**Banned last fall**

McAdoo was initially withheld from the first three games of the 2010 season after it was determined that he had received $110 in improper benefits - most of which was related to a trip to the Washington, D.C., area with teammates Marvin Austin and Greg Little.

(In a previous interview in March, Huffstetler said that McAdoo repaid those benefits to charity and that typically an NCAA suspension of a game or two would suffice for that amount of impermissible benefits.)

Then the NCAA ruled McAdoo permanently ineligible in November - and denied the university's appeal on McAdoo's behalf in February - after it was determined that McAdoo had received improper help with his class work.

According to the complaint filed Friday, the NCAA ruled McAdoo ineligible for receiving improper academic assistance from Jennifer Wiley, the same university tutor who was named in three of the nine major alleged violations cited by the NCAA in its notice of allegations last month. McAdoo initially drew university scrutiny for his work in three classes from 2008 to 2009, according to the suit, but the university's Honor Court ruled on Oct. 14, 2010, that there was not enough evidence to bring charges in one case and found him not guilty in a second case.

In the third case, the Honor Court determined that McAdoo had received improper assistance from Wiley with citations and a "works cited" list for an
African studies paper. McAdoo was placed on probation for the fall 2010 semester and was allowed to continue his academic work but was suspended for the spring of 2011, according to the suit.

The Honor Court's ruling allowed McAdoo to re-enroll this summer and to be eligible to play football in 2011, according to the suit.

The NCAA was provided a copy of the Honor Court's findings, according to the suit, and a report submitted to the NCAA by UNC stated that the university was "confident that Mr. McAdoo was not aware that the assistance being provided him by (Wiley) was improper."

The NCAA still determined, however, that McAdoo had received "impermissible assistance on multiple assignments across several academic terms," according to the suit.

"So in all, he was found by the Honor Court to have gotten too much help in one class," Huffstetler said Tuesday. "And in that one class, there's every reason to believe that Mr. McAdoo didn't know what the tutor was doing for him crossed over the line into improper assistance. Those were the facts we documented to the NCAA. That's the stated basis for why their decision was wrong."

**Ramsay's route**

In the case of McAdoo's teammate, UNC fullback Devon Ramsay, the NCAA rescinded a permanent ban after his lawyer, Bob Orr, worked with the university and the NCAA to get additional facts considered. Unlike in McAdoo's case, Orr stopped Ramsay from going through a formal appeal hearing with the NCAA for fear that his ability to contest charges would be diminished after an appeal was submitted.

Huffstetler said he is asking the court to prevent the NCAA from punishing UNC for obeying the injunction. Huffstetler said they must show the judge that there would be irreparable damage done if the injunction is not granted.

"So we need to convince the court that it is more likely than not that if this case goes all the way to trial, Mr. McAdoo will win," Huffstetler said, "and that a preliminary injunction is necessary because otherwise he would be harmed ... in a way that isn't just paying back money.

"Because this is his senior year and he's worked so hard to play college football. How do you put a value on that?"

edward.robinson@newsobserver.com or 919-829-4781
Crusading From Outside to Lower College Costs

By REEVE HAMILTON

If there was a theme to the just-concluded 82nd legislative session it was do more with less, and Representative Daniel Branch, Republican of Dallas and chairman of the House Higher Education Committee, embraced it by attacking the cost of college from multiple angles. He pushed through legislation to try to lower what students must spend on textbooks and to mandate that undergraduate students file — and stick to — degree plans.

Four miles away, on the second floor of a South Austin office building, Michael Crosno is working on the same issues by applying pressure from the outside. He is not a policy wonk. He is a businessman who has built and sold a string of successful software companies.

Not long ago, Mr. Crosno, 59, thought he would make the move into the education arena as a college instructor in business. But he did not have the influence he had hoped he would have.

“What I learned through teaching and being associated with educational institutions,” he said, “is you need more. A bunch of good teachers is wonderful, but it’s not going to solve the problems in higher ed.”

Mr. Crosno’s newest venture could make him a national player in efforts to reduce the time it takes a student to graduate — perhaps the most effective cost-savings method there is. Slightly more than half of all college students nationally graduate in six years, not four, if at all.
“That’s one statistic that just drove me bozo,” Mr. Crosno said. “My goal is very simple: get more kids to go to college.”

In 2008, Mr. Crosno teamed with Chris Chilek and John Cunningham, two Texas A&M University graduates running Pick-a-Prof, a Web site best known for allowing students to rate their professors. The following year, the company was rebranded MyEdu, and its mission became more comprehensive.

“Just rating a professor is meaningless to me,” Mr. Crosno said. “It’s not going to help my daughter graduate. At the end of the day, what’s really important is how do you balance semester by semester, course by course, the workload over four or five years.”

The company’s revamped site still allows for professor ratings, but students can also customize a degree plan that matches their desired workload in each semester and, if they choose, can help them devise the quickest path to graduation. The company, which was recently featured in a United States Chamber of Commerce report on the future of higher education, claims that 70 percent of users graduate on time, nearly double the national average.

MyEdu now includes 775 colleges and universities, up from about 60 when Mr. Crosno joined. In the first five months of this year, he said, the site logged about 2.5 million users.

MyEdu also lets students compare textbook costs. Part of the money from sales made through the site comes back to the company, one revenue stream alongside contextual advertising and sponsored content. Mr. Crosno said early efforts to charge for MyEdu services fell flat.

But he is not convinced that shaving textbook costs will create the most meaningful savings for a student. For example, he said, more savings can be gained by taking advanced placement classes to reduce the courses that need to be taken on a degree plan.

The Austin office includes dozens of computer-science-minded 20-somethings engaged in constant, widespread data collection. Mr. Crosno said that of about 60 staff members, half focused on data collection — by scraping information from public Web sites, submitting open-records requests, perusing course catalogs and gathering student comments — and the other half focused on turning that data into user-friendly applications.

“It’s a gold mine of data,” said Margaret Spellings, a former United States secretary of education, who is considering a formal business relationship with MyEdu.
“I don’t think Michael even knows what a powerful policy tool that thing can be, not only for consumers but for policy makers and for institutions themselves.” Ms. Spellings said.

About a year ago, Gretchen Ritter, a vice provost at the University of Texas at Austin, suggested to the registrar’s office that it pay attention to MyEdu with the hope of imitating some of its services. The university is currently revising its degree audit system, and Ms. Ritter hopes to include degree-planning features in the final product.

MyEdu “tells us where there is a felt need by our students for help or services,” she said.

She would not rule out using outside vendors, but said, “Most large universities tend to have a culture of ‘grow your own,’ when it comes to technology tools.”

Ms. Ritter said such technology could let advisers, swamped with students as enrollments increase and financing drops, devote less time to paperwork and more to working with students on a developmental level.

Mr. Crosno said he anticipated that with resources likely to remain scarce, public universities would be looking for more outside partners. He also said he believes that the pressure from outside private technology companies will have a more vivid impact on cost reduction than will legislation.

“Show me an industry where technology has not disrupted or made it more efficient,” he said, “and I’ll show you an archaic industry.”

rhamilton@texastribune.org
With all the college-savings options available to parents these days, one vehicle has largely flown under the radar: life insurance. While it has some major advantages, investors should understand the risks.

Back in the 1990s, agents started pitching college savers on "variable universal life insurance," a type of "permanent" insurance that is designed to be in force for the insured person's lifetime. (That is in contrast to "term" life, a plain-vanilla type of policy that pays out only if the insured dies within a specified period of time.) As with other types of permanent insurance, the buyer's annual premium is split between the cost of the death benefit, fees to the insurance company and a tax-advantaged savings account.

In the most commonly sold types of permanent life, the money in the savings account is invested mostly in high-quality bonds. Under variable universal life, the buyer has the option to invest in stocks in mutual-fund-like "subaccounts."

In general, variable-universal-life policies can make sense for certain wealthy, sophisticated investors who seek tax-deferred growth. For college savers, they confer an added benefit: Unlike 529 college-savings plans, Coverdell Educational Savings Accounts and other popular vehicles, life-insurance policies typically aren't included in calculations for financial-aid eligibility, says Mark Kantrowitz, publisher of FinAid.org, an independent college-planning website.

That can be a boon for families who earn enough so that they can afford to set aside money for college, but not so much that they disqualify themselves from financial aid. The problem is that variable universal life is also a "particularly complex and difficult" type of life insurance that typically carries higher costs than other types, says Peter Katt, a fee-only life-insurance adviser in Kalamazoo, Mich.
The biggest flaw, advisers say, is the way the policies are sold. State insurance officials and the Securities and Exchange Commission allow sales representatives to show projections of possible earnings in the savings account as high as 12% a year—a rate of return that virtually no financial planner would consider realistic.

High hypothetical projections "are seducing people with the false expectation of what their potential return on investment could be," Mr. Kantrowitz says. "If someone tells you that you can get a huge return on investment, some people might believe it. People don't enter into financial decisions with a high degree of suspicion."

Spokesmen for the SEC and the National Association of Insurance Commissioners, a group of state regulators that works on model laws for states to adopt, said changing the 12% maximum hasn't been proposed or discussed.

Variable-universal-life insurance was a big seller in the 1990s when the stock market was soaring. Now, having experienced the market collapse of 2008-09, some investors find the concept less appealing. Variable-life policies currently represent less than about 10% of the total life-insurance market by annualized premium volume, down from a peak of a third in 2000, according to industry estimates.

Sales were down 21% in 2008, 48% in 2009 and 13% in 2010, according to industry-funded research firm Limra. Those declines far outpaced the slippage for term-life sales, and came even as other types of permanent life rebounded from the financial crisis.

When investors use life insurance for college-savings purposes, the risks can be even greater. That is because a big losses suffered just as a child is entering college can torpedo results.

Angie Schreder says she bought variable-universal-life policies from a unit of AXA SA from 1994 through 1998 with values of $1.5 million for each of her six grandchildren, now 12 to 22 years old. The goal was to put away $5,000 per child, per year for 10 years, or $300,000 total, says her daughter, Karen Barbera, in Tucson, Ariz. Those policies each contained a tax-deferred savings component, and money from there was to pay the college bills, she says.

Ms. Barbera says the policies were promoted in illustrations with a hypothetical 12% rate of return. She says she was told the family could take out $50,000 per policy at a modest borrowing cost without any tax consequence. She understood that the policies included investments of stocks and bonds that could fluctuate, but says she opted for a "Moderate Plus" option that she understood to involve fairly conservative investment risk.

But the market and fees battered the account, Ms. Barbera says. Her 17-year-old twins are expected to start college in 2012. Their two policies had values of $48,180 and $48,129, respectively, as of their most recent statements—but according to the original 12% projections, the policies should have roughly $120,000 each, a total gap of about
$144,000 between the two policies. The other children's policies also have shortfalls, the family contends.

"My mom was trying to do the right thing," Ms. Barbera says. "I don't want her to think we're ungrateful. But the whole ordeal has been very frustrating."

AXA doesn't comment on individual cases, but a spokesman said in a statement that "AXA Equitable cares about its clients and has rigorous processes in place to ensure that the products purchased by our clients are appropriate for their individual situations."

Ms. Barbera last year filed a grievance to Ohio's insurance department. The grievance was dismissed after the department found "no violation," a spokesman says.

Investors who prize the financial-aid benefits above all else should still consider variable universal life—but they should understand that the lofty projections might not pan out, advisers say.

For investors seeking tax-free vehicles, both 529 plans and Coverdell Education Savings Accounts allow people to save for college expenses and withdraw the earnings tax-free for qualified higher-education expenses. Coverdells are subject to income limits, however, and yearly contributions are capped at $2,000. Typically, 529 plans have higher contribution limits and may offer state tax breaks as well.

Write to Mary Pilon at mary.pilon@wsj.com and Leslie Scism at leslie.scism@wsj.com
Managed Care Creeps Into The Doctor's Office

by Chris Weaver
July 5, 2011

Help wanted: Doctors to limit expensive tests, hospital visits and surgeries.

You're not likely to see such a brazen job listing, but managed care companies are getting into the business of running physician groups to keep costs down, as Kaiser Health News reported over the weekend.

Hospitals, larger physician groups and even Wall Street investors are also eyeing doctors who can practice cheaper health care. That means even if you're not covered by UnitedHealth Group, Humana, or another insurer on the prowl for doctors, managed-care style medicine could still reach into your doctor's office.

The health law is accelerating the trend. It's cutting payments for hospitals, limiting profits for insurers, and rewarding those who have mastered the skills of making health care cost less through so-called accountable care organizations that get bonuses if they save money.

"The only way hospitals are going to be able to survive on reduced payments is to become much more efficient in what they do," says Gerry Meklaus, an adviser to hospitals and physician groups for FTI Consulting. For several years, hospitals have been buying up doctor groups because it helped them demand greater prices from insurers. But now, they're also trying to make their services cheaper and for that, they also "need physicians," he said.
On Wall Street, Eric Coburn, a health care investment banker and managing director with Morgan Keegan & Company, told us earlier this year that he's seeing "renewed interest from the investment community in ... physicians that can manage" the financial risk of caring for patients and reduce costs.

And, in California, efficient physician groups commanded sale prices in 2010 that sometimes doubled the going rate a year before, as buyers throughout the health sector recognized that doctors were the key to success in the post-health-overhaul world, said Eric Klein, a health care lawyer for Sheppard Mullin Richter & Hampton.

OptumHealth, an arm of UnitedHealth Group, says it sees controlling physician groups as a chance to capitalize on the increasing demand for efficient care. Rather than using doctors to hold down medical costs so its sister company, the insurer UnitedHealthcare, can profit, Optum plans to sell the services of its more efficient physicians on the open market. Its customers could include rival health plans, such as Humana.

"This is about serving the broader marketplace" and making health care more efficient, said Optum CEO Dawn Owens. "Of course, we're a business looking for opportunities."

The common thread is that more health businesses recognize that cheaper care could end up being more lucrative. As Dr. David Brailer, a former Bush administration health official turned venture capitalist, put it, "The net winner of health reform by far was physicians. You see people betting on physicians."

It's "where the raw economics ended up," he said.