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ECU lost about 400 positions in systemwide cuts

BY JACKIE DRAKE
The Daily Reflector

East Carolina University lost the equivalent of eight filled full-time positions, more than 200 vacant positions and more than 180 part-time or temporary workers.

The University of North Carolina system had to cut more than 3,000 employees and almost 1,500 vacant positions due to the loss of $414 million in state funding during budget cuts, according to a recent report from administrators.

East Carolina University lost the equivalent of eight filled full-time positions and more than 200 vacant positions, according to the 2011-12 budget reductions summary presented at this month's meeting of the UNC Board of Governors finance committee. Earlier reports had that tally at 190 vacant positions. The medical campus lost an additional 40 vacant positions.

More than 180 part-time or temporary workers — including adjunct professors, graduate students, support and maintenance personnel — are without a job because many of their contracts could not be renewed.

"This wasn't a surprise," Rick Niswander, ECU vice chancellor for administration and finance, said. "Within all the UNC system schools, we've been saying the cuts are going to have a significant impact across the system."

The university usually has roughly 5,000 employees. Bracing for a cut that wound up being 16 percent, or $49 million, ECU tried to stave off the worst by leaving positions vacant as they became open throughout the past year.

"Because we were more conservative in hiring, we had fewer filled positions that we had to eliminate," Niswander said.

But even cuts on paper have an affect — those eliminated vacancies would have been necessary new hires in a normal budget year with student enrollment holding steady at 27,000, according to Niswander.

"That's 250 people not here, and the amount of work has not gone down at all," Niswander said.

Campuses including ECU are beginning to feel the stretch. The cuts reduce the number of faculty positions, increase class size, decrease available course sections, and shorten hours for computer labs and libraries.

Chemistry 1120, the first chemistry course for pre-nursing majors at ECU, is being reduced from four sections to three, with class sizes being increased by 25 percent.

The ECU College of Business reduced its administrative personnel by one-third the last two years.

The report details changes at other UNC campuses, like 350 students at North Carolina Central University not being able to sign up for a required math course.

To view the full report, visit the UNC Board of Governors website at www.northcarolina.edu/bog and click on the Sept. 9 meeting materials.

Contact Jackie Drake at jdrake@reflector.com or 252-329-9567.
Despite the pouring rain, dozens of supporters filled the Pitt County Courthouse steps during the Greenville Vigil for Equality vigil. EqualityNC held a statewide rally to oppose an amendment to ban same-sex marriage in North Carolina. Monday, Sept. 12, 2011. (Aileen Devlin/The Daily Reflector)

**Gay marriage supporters rally**
*By Ginger Livingston*
The Daily Reflector
Tuesday, September 13, 2011

Gay and straight. Black and white. Man and woman. Dozens braved stormy weather at the Pitt County Courthouse Monday night to tackle the lightning rod issue of banning gay marriage.

Huddled under umbrellas on the rain swept courthouse portico, individuals shared personal stories and facts about why the General Assembly’s attempt to place before voters a constitutional amendment marriage banning gay marriage should fail. The House voted 75-42 on Monday to place the amendment on the May presidential primary ballot. The Senate is scheduled to vote today.

Event organizers urged the group to contact Pitt County’s state senators, Louis Pate, a Wayne County Republican, and Clark Jenkins, an Edgecombe County Democratic, and ask them to vote against the amendments.

The Greenville event was one of nine held statewide Monday night.

Alexander Anders with East Carolina University’s Gay, Lesbian, Bisexual, Transgender Student Union said legislators should be asked if they want to be part of a state that forged ahead of its neighbors by rejecting bigotry or be a state that punished its citizens.

Three members of Greenville’s clergy, the Rev. Ann Marie Alderman, the Rev. Bob Hudak and Rabbi Nicole Luna also spoke.
Hudak said religion should never be used to justify the denial of equal rights. He also said the sanctity of his marriage in not threatened by allowing gays to marry.

“I hope the rain falling on us tonight will symbolically cleanse people of their fear and ignorance,” he said.

Luna called on call the inspire compassion among members of the General Assembly. Alderman said she is saddened that North Carolina’s laws allow her to sign marriage certificates but prevent her, as a lesbian, from marrying.

“This is the same discrimination that was written into law that said a white person couldn’t marry a black person,” Alderman said. One day, people will look at attempt to prevent gay marriage with the same disbelief as they looked at those laws.

ECU student Scott Jones spoke about 10 teenagers who committed suicide last year because of bullying they experienced because of their sexual and gender orientation. Jones himself attempted suicide six times in high school.

Jones said the legislators pushing the gay marriage ban are not different from the high school bullies who tormented him and other gay teens.

There are 1,183 statutory decisions where marriage is a decision for granting benefits, said newlywed Summer Wisdom.

It’s unfair that she and her husband qualify for these benefits but gay couples are denied most of them unless they got through lengthy and complicated legal procedures.

Contact Ginger Livingston at glivingston@reflector.com or 252-329-9570.
Doris L. Davenport

Miss Doris Lee Davenport, 89, passed away Sunday, Sept. 4, 2011. Miss Davenport was cremated and private burial was in Greenwood Cemetery. A memorial service will be conducted Friday, Sept. 16, 2011 at 2 p.m. in the Brown Chapel at Cypress Glen Retirement Community, 100 Hickory St., Greenville. The family will receive friends immediately following the service.

Doris, a native of Baltimore, Maryland, received an undergraduate degree from Western Maryland University and a master's degree from the University of Michigan. She taught on the university level in California and Hawaii prior to making her home in Greenville, where she taught in the College of Allied Health at East Carolina University until her retirement. She had made her home at Cypress Glen since 2003 and was a member of Peace Presbyterian Church.

Miss Davenport was preceded in death by her parents, Dr. Arthur L. Davenport and Pearl R. Davenport; and a sister, Jean Davenport.

Survivors include Katherine Davenport Roberson, of Robersonville and Lelia Davenport Midkiff, of Lexington, Ky.; local cousins, Paul, Lawrence and Charles Davenport, Melanie Davenport Boyer and Edith Davenport; and numerous other cousins.

Memorials may be made to ECU Foundation, Inc., 2200 South Charles Blvd., Greenville, NC 27858-4353 or to a charity of one's choice.


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Rest of world catching up with U.S. workforce

JANE STANCILL - Staff Writer

The latest international education comparisons show that the United States remains a leader when it comes to having an educated workforce, but other countries are catching up - fast.

Today, the Organization for Economic Cooperation and Development releases its "Education at a Glance" report for 2011. The group analyzes and compares education data from several dozen countries around the world.

Gaining on the U.S.

Twenty-six percent of the 255 million people in the world with higher education live in the United States. China is second and Japan third. But the picture looks less rosy for Americans when you examine educational attainment in different age groups. The American share is much larger (36 percent) in the 55-64 age group than in the 25-34 age group (21 percent).

The United States is the only nation where higher education levels among those just entering the workforce do not exceed those who are about to leave. It ranks 15th among 34 countries studied when it comes to higher education attainment in the 25-34 age group.

Not ready for higher ed

The United States may have a hard time meeting the growing demand for highly skilled workers because of students' poor achievement.

Forty-two percent of 15-year-olds in the U.S. are below a certain level of proficiency in reading on an international test, about average across the nations studied. However, youths from other countries perform markedly higher; the failure rate is 25 percent in Finland and 21 percent in Korea, for example.

Education has rewards

Higher education, while expanding worldwide, still offers benefits for people. In the United States, a person with a degree beyond high school can expect to earn 79 percent more than a high school graduate. And during the recession, educated workers fared better, with 2009 unemployment rates
reaching 15.8 percent for those without a high school diploma, 9.8 percent for high school graduates and 4.9 percent for college graduates.

**Costly risks**

Even with all the benefits, investing in higher education can be risky for individuals because the cost in the United States is so high. A graduate can expect to spend $70,000 for higher education, while foregoing $39,000 in earnings during college.

But outcomes can vary widely; 13 percent of those with higher education earn half or below half of the median salary in the U.S.

**More tax dollars**

Investment of public dollars in education has a public payoff. During his working life, an American man with a higher education degree pays $190,000 more in taxes and other social contributions than a man without higher education.

**The N.C. perspective**

The data point out real concerns, said Scott Ralls, president of the N.C. Community College System.

Education leaders in North Carolina are constantly talking about how to improve students' performance in math and science to prepare them for the future workforce. Even machinists and auto mechanics have to know how to program high-tech equipment on the job.

"The skills at the technical level have moved from the hand to the head," Ralls said.

The good news is that in the United States, workers have a low-cost way to upgrade their skills throughout adulthood. "That's a uniquely American higher education innovation, which is the community college," Ralls said.

North Carolina finds itself competing not just with Texas and Massachusetts for jobs, but also with Ireland, Brazil and China.

At a recent biotech expo in Washington, Ralls said he was surprised to see booths from Russia, China and a host of other countries.

"When you've got Russia competing against you for economic development," Ralls said, "it's a whole new world."

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Effort to rename road for MLK launching in DeKalb

By April Hunt

A group of south DeKalb County community leaders have a concrete idea to strengthen the Rev. Martin Luther King Jr.’s ties to the county: rename part of a main road in his honor.

The five-mile section of Snapfinger Road runs through an established middle-class black neighborhood, past King’s namesake high school and into Henry County, where his father grew up.

“It’s a shock to come to the realization that there isn’t a road named for him already [in DeKalb],” said state Sen. Ronald Ramsey, who has agreed to file a bill allowing the name change to the state road in the next legislative session.

Renaming roadways in honor of the civil rights leader began in Chicago, just a few months after he was assassinated in 1968. Since then, at least 900 drives, boulevards and parkways have been named for him across the country.

More than two-thirds of Martin Luther King Jr. streets are located in 10 Southern states and Georgia has the most nationwide with at least 128, said Derek Alderman, an East Carolina University geographer who has studied the renaming trend.

Protests and controversy have marred many efforts, though, even in King’s home state. Atlanta’s successful bid for MLK Parkway in the 1970s, for instance, was originally greeted with months of debate and anger.

“King’s name has become associated with roads in poor, economically stressed areas, not because his name belongs there but because public opposition often leads to King’s name being marginalized,” Alderman said.

The DeKalb effort appears different. The idea is being spearheaded by the DeKalb NAACP and the local chapter of Alpha Phi Alpha, the black fraternity that counted King as a member.
Organizers need at least 51 percent of property owners between the Henry line and Wesley Chapel Road to sign off on the name change.

Today's DeKalb – majority black and solidly middle class for decades – is a far cry from the majority white county where police arrested King in May 1960. The charge: driving without a license, because he had an Alabama, not Georgia license.

King received a year probation for the violation, a harsh penalty that laid the groundwork for him to be sent to state prison and subsequently receive help from the Kennedy clan, according to DeKalb History Center records.

“He did so much for us,” said Jayna Smith-Howell, a 17-year-old senior at Martin Luther King Jr. High School. “To honor him with a road name, it would be a great signal that we recognize that.”

A petition drive is slated to begin next month but already many students who see King’s name daily as they walk into school agree that they want the change.

“It would be nice to connect the neighborhood and street with the school,” said Arrion Jackson, 17, a senior at the high school.

It is just as important to fellow senior Ashley Sanford, 17, where the road is. Snapfinger is a major thoroughfare in DeKalb, home to several clusters of locally owned businesses and well-ordered, spacious houses in the majority-black part of town.

“This is a more upscale area, so you could drive on Martin Luther King Road and be able to say it was nice,” Sanford said. “That would be a great way to memorialize him.”

If a majority of property owners don’t agree, Ramsey has another possible solution to honor King. He has drafted a resolution that would designate the entirety of Snapfinger Road as the Martin Luther King Jr. Memorial Parkway.

Signs would go up to acknowledge the honor that way, but the official road name would not change.

"I think everyone will be receptive to making it happen," Ramsey said.
Here’s a heads-up for Civil War buffs: Spencer Tucker, author of “A Short History of the Civil War at Sea” and “The Civil War Naval Encyclopedia,” will be keynote speaker at the N.C. Maritime History Council’s annual conference, Sept 29-Oct. 1 in Wilmington.

Tucker, who’s written more than 40 titles (many about the Late Unpleasantness) will talk about Confederate commerce raiders. It’s a safe bet that local hero John Newland Maffitt and his ship, the CSS Florida, will be prominently featured in the talk.

The council — mostly composed of museum professionals with an interest in nautical subjects — opens its conferences to the public. The registration fee is a relatively cheap $105, discounted to $65 for students and full-time teachers. (For complete registration details and schedule, see www.ncmaritimehistory.org/ and click on the “Annual Conference” header. This year’s conference theme is “Wilmington at War: A Military Crossroads,” which includes more than just the War Between the States.

Among the other out-of-town speakers will be Ralph Scott, author of “The Wilmington Shipyard.”

Several local authors are participating. Wilbur D. Jones Jr. (“A Sentimental Journey,” “Football! Navy! War!”), who just got himself written up in Sports Illustrated, will give a presentation on Wilmington as “America’s World War II City.” Prolific Civil War historian Chris Fonvielle (“The Wilmington Campaign,” etc., etc.) will lead a history-oriented downtown walking tour. Librarian historian/librarian Beverly Tetterton (“Wilmington: Lost But Not Forgotten”) will give a talk on the Wilmington harbor.

Other speakers will include Mark Wilde-Ramsing, chief of the N.C. Underwater Archaeology Branch at Fort Fisher, who’ll give an update on the Queen Anne’s Revenge excavations, and Suzanne Grieve from East Carolina University, who’ll talk about the artifacts from the Modern Greece, the Civil War blockade runner that sank off Kure Beach and was excavated in the 1960s.
Jim McKee from Brunswick Town State Historic Site will give a paper on the Brunswick River “Ghost Fleet,” the mothballed World War II-vintage Liberty ships and other vessels that were anchored here from the 1940s through the 1960s.

Venues for conference sessions include the Cape Fear Museum, the Community Arts Center/USO building, the Battleship North Carolina Memorial and the New Hanover County Public Library.

For more details, click on the website above or contact Harry Warren at the N.C. Museum of Forestry in Whiteville, (910) 914-4185.

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U.S. News and World Report's Shocker-Free 2012 College Rankings

By Kayla Webley

U.S. News and World Report released its annual list of America's Best Colleges today and the news is, well, not exactly surprising.

Like most every year, the Ivies are at the head of the pack, holding all four of the top spots, closely followed by the four other Ivy League schools, which all place in the top 20.

While there wasn't too much movement at the top, there were an overwhelming number of ties on the list this year. There are two universities in the No. 1 spot, five schools tied for fifth, six colleges in 62nd place, seven vying for 72nd and 10 colleges tied for 101st place, among many, many other ties.

The number of ties further calls into question the usefulness of the college ranking system, which though it is U.S. News' bread and butter, has been questioned in the past for using dubious statistics and fueling crazed competition among colleges hungry for prestige.

Nevertheless, here are this year's 10 Best Colleges in the Nation:
1. Harvard University
2. Princeton University
3. Yale University
4. Columbia University
5. California Institute of Technology
5. Massachusetts Institute of Technology
5. Stanford University
5. University of Chicago
5. University of Pennsylvania
10. Duke University

The next five are: Dartmouth College, Northwestern University, Johns Hopkins University, Washington University in St. Louis and Brown University.

This year's list isn't much different from the past. Last year, Harvard took the top honors, followed by Princeton, Yale, Columbia, Stanford and the University of Pennsylvania (in a two-way tie for fifth), the California Institute of Technology and the Massachusetts Institute of Technology (tied for seventh) and Dartmouth and Duke (tied for ninth; the University of Chicago also tied for ninth, making it the 11th school on the list).

Sound familiar? It should. The most major change at the top this year is that the University of Chicago was bumped up from its ninth place finish last year to tie for fifth with four other schools. That move bumped Ivy League school Dartmouth out of the top 10, to an eleventh place finish.

Excluding the Ivies and other private schools, the top-ranking state schools are as follows: the University of California-Berkley, the University of California-Los Angeles and the University of Virginia (tied for 2nd), the University of Michigan-Ann Arbor, the University of North Carolina-Chapel Hill, the College of William and Mary, the Georgia Institute of Technology, the University of California-San Diego, the University of California-Davis and finally, in a three-way tie for 10th, the University of California-Santa Barbara, the University of Washington and the University of Wisconsin-Madison.

Other than the national rankings, U.S. News breaks their data into several other lists that may be especially useful for high school students and their families when it comes to select a college. Among them are a list, which you can find over on TIME's Moneyland site, of the schools that saddle their students with the most (and least) amount of loan debt.
Another is called A+ Schools for B Students, which provides a list of colleges where students with slightly lower grades still stand a fair shot at getting in. That list features states schools like the University of Connecticut and the University of Oregon, as well as smaller, private schools such as Baylor University in Waco, Texas and Pepperdine University in Malibu, California. Among the other lists are Best Black Colleges, which ranks the nation's historically black colleges and the best national liberal arts colleges.

Kayla Webley is a Writer-Reporter at TIME. Find her on Twitter at @kaylawebley or on Facebook at facebook.com/kaylawebley. You can also continue the discussion on TIME's Facebook page and on Twitter at @TIME.
Study: College graduates driving increase in bankruptcy filings
By Ylan Q. Mui
College graduates are the fastest-growing group of consumers who have filed for bankruptcy protection in the past five years, according to a new study by a financial nonprofit, which underscores the broad reach of the Great Recession.
The survey by the Institute for Financial Literacy, slated for release Tuesday, found that the percentage of debtors with a bachelor’s degree rose from 11.2 percent in 2006 to 13.6 percent in 2010. The group tracked similar but smaller increases in consumers with two-year associate and graduate degrees. Meanwhile, the percentage of debtors with a high school diploma or who did not finish college declined.

“We’re told that if you do go and get advanced education, you’re going to be almost guaranteed this economic success,” said Leslie Linfield, the group’s executive director. But the recession proved that “higher education was no guarantee that you weren’t going to be at risk.”

According to government data, bankruptcies spiked in the years following the financial crisis, peaking at 1.5 million in 2010. Robert Lawless, a bankruptcy professor at the University of Illinois College of Law, attributed the rise in filings to the contraction in available consumer credit as lenders tightened underwriting standards and lowered loan limits. That left a wide swath of cash-strapped consumers with no way to continue financing their lives.

“As consumer credit tightens, people run out of options,” he said.

The government does not track filers’ demographic data. But Linfield said the groups that have historically been most affected are low-income consumers without college degrees. They still account for the largest share of bankruptcy petitioners: Linfield’s research found about 38 percent of debtors make less than $20,000 and about a third have only a high school diploma.

But Linfield said the recent increase in the number of bankruptcy filings is driven largely by wealthier, more-educated households. The percentage of debtors with bachelor’s degrees peaked in 2009 and then inched down in 2010. Those with graduate degrees jumped from 4.9 percent in 2006 to 6.7 percent last year. And the share earning more than $60,000 rose from 5.5 to 9.2 percent.

Linfield said she is also concerned about the age of debtors. Over the past five years, the number of consumers filing for bankruptcy between ages 18 and 34 has fallen 31 percent, her group’s study found. Meanwhile, the number of people 55 and older, who have less time to recover financially, has jumped 25 percent.

The group surveyed more than 50,000 consumers who participated in its credit counseling or financial education courses, a requirement for those
seeking bankruptcy protection. They account for roughly 3 percent of bankruptcies filed in 2010.

Typically, credit cards and other unsecured loans force most people into bankruptcy, Linfield said. But she thinks hefty mortgages and falling home values contributed to the spike in filings among wealthier households and college graduates. More than 70 percent of consumers in Linfield’s survey said they were filing for bankruptcy protection because they were overextended in credit, up from 63 percent in 2006. Reduction in income moved from third to second place.

Linfield said those trends may change this year as the overall number of bankruptcies begins to ease. According to government data, the number of filers for the year ended in June dropped 2 percent from the previous year. Monthly data from the American Bankruptcy Institute, an industry research group, showed August bankruptcies dropped by 11 percent from a year ago. Samuel Gerdano, executive director of ABI, attributed the decline to a slowdown in spending as consumers repair their personal balance sheets.

“They take a step back from the ledge, if you will, of needing bankruptcy protection if something bad happens,” he said.

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Student Loan Default Rates Rise Sharply in Past Year

By TAMAR LEWIN

The share of federal student loan defaults rose sharply last year, especially at for-profit colleges and universities, where 15 percent of borrowers defaulted in the first two years of repayment, up from 11.6 percent the previous year.
According to Department of Education data released Monday, 8.8 percent of borrowers over all defaulted in the fiscal year that ended last Sept. 30, the latest figures available, up from 7 percent the previous year.

At public institutions, the rate was 7.2 percent, up from 6 percent, and at not-for-profit private institutions, it was 4.6 percent, up from 4 percent.

“Borrowers are struggling in this economy,” said James Kvaal, deputy under secretary of education. “We see a strong relationship between student default rates and unemployment rates.”

Although the new overall rates are the highest since the 1997, when they were also 8.8 percent, default rates peaked in 1990 at more than 20 percent.


Although for-profit colleges, which typically serve low-income students, enroll only about 10 percent of the nation’s undergraduates, Mr. Kvaal said, their students made up 150,000, or almost half, of the defaults.

The problem may be even greater. “Some research has shown that as few as one in five defaults at a for-profit college occur in the two-year window,” said Debbie Cochrane, program director at the Institute for College Access & Success, which runs the Project on Student Debt. “The extent of borrower distress is barely touched upon with these rates.”

A recent study by the Institute for Higher Education Policy found that for every borrower who defaults, at least two more fall behind in payments. The study found that only 37 percent of borrowers who started repaying their student loans in 2005 were able to pay them back fully and on time.

The Department of Education is in the process of switching to a three-year default rate, in an effort to capture a more accurate picture.

The high default rate at for-profit colleges, the fastest-growing sector of higher education, has become an increasing concern for the government, since such institutions depend on federal student aid for more than 80 percent of their revenues. Last spring, in internal documents gathered from the publicly traded for-profit colleges for hearings on the student debt problem, the Senate Health Education Labor and Pensions Committee found that some companies estimated that their students had staggeringly high lifetime default rates — in one case, 77.7 percent.
Colleges with excessive default rates, either exceeding 40 percent in the latest year, or 25 percent for three consecutive years, can lose their eligibility for federal student aid programs. This year, five institutions — four of them for-profits — lost eligibility, Mr. Kvaal said.

In part because of the high default rates at the for-profit colleges, the department recently adopted regulations designed to curb recruiting abuses, and cut off eligibility for federal aid at programs that leave students with high debt loads and poor job prospects.

Student borrowing has been increasing in recent years, as tuition has grown faster than inflation or family income. And with the recession, and high unemployment rates for young workers, default rates may continue to rise for some years. Borrowers who default can face a lifetime of consequences, including inability to borrow for a car or a house, wage garnishment, seizure of tax refunds, or even, in an era when employers increasingly check credit reports, difficulty in getting a job.

Many borrowers, even those who are unemployed or earning little, can avoid default by participating in an income-based repayment program that began in 2009 but is not as widely used as might be expected. Under the program, borrowers who pay 15 percent of their discretionary income for 25 years — 10 years if they are in public service — can have the rest of their federal student loan debt forgiven; in 2014, that will go down to paying 10 percent of discretionary income for 20 years.

“In the age of income-based repayment, there is no reason for a student to default, since even a payment of zero dollars is acceptable payment, if you have zero discretionary income,” Ms. Cochrane said. “But as of April of this year, only about 350,000 borrowers have entered income-based payment, a small subset of the eligible population. Students need to understand the options, colleges need to share the information, and the department needs to make it as easy as possible for students to enroll.”
Business School? No, Thanks
SEPTEMBER 13, 2011
By MELISSA KORN

Thinking of applying to business school? Now may be a good time.

Applications for two-year, full-time M.B.A. programs that start this fall dropped an average of 9.9% from a year earlier, according to new data from the Graduate Management Admission Council, which administers the Graduate Management Admission Test. The decline marks the third year in a row that applications have fallen.

One-third of full-time M.B.A. programs reported drops of more than 10%, according to the survey, which included 649 M.B.A. and other business programs at 331 schools world-wide.

Historically, interest in graduate school has increased when the job market soured, but the prolonged uncertainty about future growth has discouraged some prospective M.B.A. applicants. This, despite the fact that some companies that have traditionally helped students pay their way through business school haven't altered their policies. Spokespeople at Goldman Sachs Group Inc., Credit Suisse Group AG and Morgan Stanley said they aren't changing the amount they contribute to business-school tuition.

"They'll stay in their jobs until they see that there'll be a return on this investment," said Wendy Huber, associate director of admissions at the University of Virginia's Darden School of Business. "They want to know that recruiters will be waiting in line." Applications for Darden's full-time M.B.A. program fell "roughly 10%," Ms. Huber said.

Harvard Business School also wasn't immune. Applications for its full-time M.B.A. class entering this fall slid 4% to 9,134 from a year earlier, helping to boost the school's acceptance rate to 12% from 11%.

Part-time programs are struggling to attract students, too, with 46% reporting declines in application volume this year.

New York University's Stern School of Business had a 9.8% drop in applicants to its part-time program this year. "Most people who apply to that program are employed, and there are fewer working professionals these days," said Isser Gallogly, assistant dean of M.B.A. admissions. "People are not going to be applying to an M.B.A. program when they're trying to find a job," he said.

One bright spot for business education is specialized master's programs. Courses for management, accounting and finance all reported increased volume. Applications for
these programs have risen in recent years as undergraduates have sought to beef up their credentials before hitting the job market.

Additional interest in the short, specialized programs comes as professional certification boards toughen entry requirements. For example, students wishing to become certified public accountants in certain states must now have 150 hours of college credit to qualify for the CPA exam, more than most get in an undergraduate program.

Applications for the Master of Finance program at MIT Sloan School of Management rose 3% for students entering this fall. Applications had already soared to more than 940 for the class entering in fall 2010, nearly eight times when the program was first introduced in 2009.

A similar spike occurred at Temple University's Fox School of Business, which introduced a new Master of Accountancy this fall.

But even though M.B.A. application volume has slumped, most schools report the quality of candidates, based on their GMAT scores, undergraduate transcripts and work experience, is getting stronger. "You're not getting applications from those who aren't serious," said Dave Wilson, chief executive of GMAC.

He also sees some improvement on the horizon. The number of people taking the GMAT this year increased through the end of July, and historically test taking has been a leading indicator of higher application volume soon after.

—Dana Mattioli

contributed to this article.