

# The Daily Tar Heel

**INSIDE MONDAY**  
APRIL 1, 1996



**Virtual Equality**  
A writer and lawyer said gays and lesbians are more visible, but stereotypes still prevail. Page 5



**Access Denied**  
Some students were unable to register through Caroline's new 800 line this weekend. Page 3



**Kids Who Didn't Fly the Coop**  
Locals who stayed in Chapel Hill for college share their experiences. Page 2

**Today's Weather**  
Rainy; highs in the upper 50s.  
Tuesday, Cloudy; high 50s.

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## Long IRS Audit Could Cost University Millions

■ Audits at other public universities have brought bills of up to \$81 million.

BY JOHN SWEENEY  
STAFF WRITER

Members of the IRS are set to arrive in the southern part of heaven later this month to begin a comprehensive audit of the University's finances that could end up costing the University millions in back taxes.

Chancellor Michael Hooker, speaking to members of the Faculty Council at their Friday meeting, said he believed the audit could eventually cost the University anywhere from \$1 million to \$1.5 million and could take as long as 3 years.

Hooker also said members of the University community should be relieved that the audit was occurring now instead of five years down the road, when the cost could be even greater, since the amounts of the bills universities were being handed had been steadily growing since the audits started.

Vice Chancellor for Business and Finance Wayne Jones said Sunday that the IRS's choice of UNC for an audit was part of a larger trend. "UNC was chosen because we're a major research university, and the IRS appears to be targeting large research institutions," Jones said.

Jones said he was notified of the audit in early March.

He said the auditors would have full access to the University's financial records, and the University would be required to provide office space for the auditors, either on or off campus.

According to Jones, it is the first time the IRS has done a comprehensive audit of UNC. "I don't think the IRS has done this kind of thing at all until the last four or five years," Jones said.

The audits began in 1991 under the auspices of the IRS's "Coordinated Examination Program," which examined research hospitals and other non-profit medical research facilities. The program soon extended to universities, most of which had research hospitals of their own.

For the past four years, large state universities like the University of Michigan

and the University of Wisconsin at Madison have had to pay large amounts in back-taxes because of the audits.

Wisconsin, for instance, had to pay \$81 million, while Michigan was charged \$7.7 million. Michigan appealed the charges.

Hooker said at the meeting that he had already experienced such an audit while he was serving as President of the University of Massachusetts system.

An August 1995 article in the Columbus (Ohio) Dispatch said most of the schools being audited by the IRS were paying less than \$1 million.

## BCC Nabs \$1 Million Donation

■ Chancellor Michael Hooker announced the anonymous contribution at Faculty Council on Friday.

BY SHARIF DURHAMS  
STAFF WRITER

A \$1 million anonymous donation will help officials at the Sonja H. Stone Black Cultural Center achieve their goal of building a free-standing research center.

Chancellor Michael Hooker announced the donation during Friday's Faculty Council meeting. Hooker said the money, which would be paid to the University over 10 years, will help make possible the 40,000-square-foot free-standing center for research. "Our intention is that it become a world-class facility of academic research," he said.

Hooker said the anonymous donation was made because of

the donor's concern for the University.

"Obviously, the donor is deeply committed to the University and knows the center is important," he said. "We are grateful for his generous support."

BCC Fund-raising Intern Ivy Fargueson said she did not know why the donor wanted to remain anonymous, but she was thankful for the donation.

"I was hoping in my heart something like this would happen, and it did," she said. "It's great."

The negative perception of the free-standing center as a Student Union for black students has kept donations at a trickle, Hooker said. Now that nearly \$3 million in donations has been made and a new batch of fund-raising programs are planned, it will be easier for the center to raise the \$7.5 million needed.

"It will be a lot easier to raise funds for the BCC once we begin the programming," Hooker said.

Plans for the center include building a library, a theater, an art gallery, a dance studio and a media center. The Outward Bound program and the Institute for African-American Research would also have space in the center.

The efforts of Chancellor Hooker were essential in getting the donation, BCC Director Gerald Horne said.

"It was his aggressiveness, his initiative, his energy that helped get this donation," Horne said.

Fargueson said she was excited about the opportunities created for the center by the donation.

"I think it's great," she said. "I think nothing but good can come from this donation."

**Hooker Supports Women's Center**  
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### A ROUNDTABLE DISCUSSION

## How Freely Can We Speak?

In light of recent charges of anti-Semitic speech at UNC, as well as other events and attitudes that have created what some consider to be an intimidating atmosphere, 30 concerned members of the University community met Friday at the Sonja H. Stone Black Cultural Center to discuss hate speech, hate crimes and their effects on the campus and on society as a whole. BCC Director Gerald Horne moderated the discussion, sponsored by The Daily Tar Heel. Because tight space in the newspaper imposes limits on the lengths of published articles, what follows is a heavily edited transcript of the taped 90-minute discussion.

**Horne:** What is hate speech? What are hate crimes?

**Lucy Lewis, director of Orange County's department for human rights and relations:** Some of you may be aware that the county has an ordinance that provides a process for prohibiting discrimination in employment and housing. There is also a direct area of hate crime and hate speech. The ordinance came out of hearings that were held



Gerald Horne (bottom, second from left) mediates a panel discussion in the BCC about hate speech Friday afternoon.

when the County Board for Discrimination and a number of people talked about the area of hate speech. Some federal and state laws protect people from discrimination based on age, sex, race, religion.

**Lt. Clay Williams, University Police:** In law enforcement, hate crime can describe instances of violence or crime perpetrated against persons, groups or their property solely because of their race, religion, national origin or sexual orientation. In the recent crime that we had in the Undergraduate Library and at Walter Davis Graduate library, we had a vandalism of a very offensive symbol that was targeted toward members of our community. Right now, we would have to classify that as a suspected hate crime until we can determine the motivation of the person who committed the crime. If it was specifically directed, such as at a person of a specific cultural background, then we could clearly define it as being a specific hate crime.

The police department is vigorously opposed to hate crimes

and forms of bias on this campus, and we see a lot of things that are considered hate crimes in the media are actually protected First Amendment rights. They are offensive, they are repugnant to a lot of people, but they have to break the law, or be directed at to threaten an individual, before we can investigate as an actual hate crime.

**Horne:** Is there such a phenomenon as hate speech?

**Charlton Allen, Carolina Review publisher:** There are certain constitutional liberties at play which mandate that, as a body politic, we support free expression. And hate speech is a problematic phenomenon for a very simple reason: who determines what is hate speech? In an ideal world, for me, hate speech would be counteracted by more speech. If you disagree with something, say so. But if you use legal devices, such as the Student Code, it is a very flawed approach, because we as a society should be devoted to free expression of all ideas. When a power such as the University or the federal government decides, "This idea is bad, and we're not going to allow it," that is a critical issue that can destroy the freedoms that we all take for granted.

With hate speech and hate crimes, the Supreme Court has been taking a tough stand. (Allen cited one Supreme Court case that says enhanced sentencing for hate crimes is unconstitutional.) It is something that deals with the content of the speech. And when you start making those judgments, that is something the government should not be into, according to the Supreme Court.

**Horne:** Let me throw out another idea. How do we reconcile

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Student Body President-Elect Aaron Nelson (left) speaks as Carolina Review Publisher Charlton Allen waits to respond.

## State Officials Say Container Law Not Vague

■ The N.C. attorney general said the open-container law did not need to be rewritten.

BY WENDY GOODMAN  
CITY EDITOR

State officials on Friday supported Chapel Hill's open-container ordinance, saying the law was not vague after town attorneys requested help in determining its validity.

"Based upon a careful review of the relevant statutes and case law, it is our opinion that this ordinance is not fatally vague," the attorney general office's letter states.

A Chapel Hill District Court threw out several open-container cases beginning in February because the judge said the law was unenforceable. Police continued to enforce the law, but the court continued to dismiss cases. Because of the contradiction, town attorneys asked the state attorney general for an opinion about the law's validity.

"After the judge's ruling, we had a discussion whether to change the ordinance. The police attorney and I didn't think the

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## Circle of Power



Mario Hernandez performs traditional dances at the Carolina Indian Circle Pow Wow on Saturday. Hernandez has been dancing since he was two years old.

## Jeanne Fugate to Lead DTH as 130th Editor

■ Fugate said one of her first steps would be to create a box for reader suggestions.

BY MELISSA STEELE  
FEATURES EDITOR

After an in-depth selection process, Jeanne Fugate was named editor in The Daily Tar Heel's 103 year. The 11-member selection committee voted 9-2 to make Fugate editor and agreed that her experience and ideas for the future of the paper qualified her as the best candidate.

Sharif Durhams, a DTH staff member on the selection committee, said that Fugate's experience as editorial page editor was one of her greatest assets.

"Organizing the editorial page and its staff and all the problems that come along with that gives her a wealth of experience that she can take with her as editor of the paper," he said. "Members of the committee were impressed with her well thought-out goals for the paper."

The remaining five weeks of school will be a period of transition, learning and planning for Fugate. "I'm very excited. It's a great honor," she said. "I have a lot of work to do (to get ready), but I'm prepared to dedicate my time to that."

Although she was prepared to graduate



DTH Editorial Page Editor JEANNE FUGATE was selected Saturday.

this year, as editor, Fugate will be a fifth year senior. "I think this will be a valuable educational experience, so I decided to stay an extra year and take regular classes," she said.

One of Fugate's first steps as editor will be to make a DTH suggestion box where

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Every man is a damn fool for at least five minutes every day.

Elbert Hubbard