

Partially cloudy and warm this weekend
50% chance of rain, high in the upper 60s

The Daily Tar Heel

Interracial Great Hall Party tonight
9 p.m. in the Student Union

Serving the students and the University community since 1893

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Raleigh budget office cuts funding at UNC

By JEFF ECKARD
Staff Writer

The Office of Management and Budget in Raleigh has cut more than \$3 million from non-personnel state funding at UNC, The Daily Tar Heel learned Thursday.

The budget cuts are a 5 percent across-the-board withholding of budgeted appropriations for all state institutions and agencies, said Marvin Dorman, deputy state budget officer. UNC will lose \$1.9 million from academic affairs and \$1.3 million from health affairs, said Wayne Jones, UNC's vice chancellor of business and finance.

"The cut will obviously have a dramatic effect on the University, but the extent of the hardship will not be understood until later in the quarter."

The University first learned of possible budget constraints in December, when C.C. Cameron, Gov. Jim Martin's executive assistant for budget affairs, sent a memo to all state institutions saying the next two quarters would be tight, Dorman said. The third quarter ended in March, and the fourth quarter runs from April to June 30.

Cameron was out of town and could not be reached for comment.

The University was told to set aside sufficient funds for its payroll and to monitor costs such as traveling, printing and purchasing new equipment, Dorman said.

The 5 percent cut was the result of unexpected, large expenditures by

"Any cut of this magnitude will have serious negative consequences for the University, and has the potential to affect all aspects of our program."

— Garland Hershey,
vice chancellor of health affairs

some state organizations and a decline in the state's revenue, he said.

The state Medicaid program will run out of money in mid-June, forcing \$20 million to be transferred to it, and North Carolina Memorial Hospital will not be able to return revenue to the state budget as it usually does. In addition, the state Department of Corrections has exceeded its medical budget by \$4.5 million, Dorman said.

UNC's spending has also increased this year, he said. The University usually reverts about 5 percent of its budget to the state, but at the present rate it will revert only 2 percent.

The state budget office expected March revenues this year to be lower than revenues from March 1988, but the decline was 30 to 32 percent more than expected, Dorman said.

In comparison, a 3 percent decline in May 1988 revenues led to a loss of \$45 million, he said.

"We have taken fourth quarter allotment, beginning in April, and held back 5 percent of funds because

state government is required by the constitution to maintain a balanced budget. If April and May revenues are good, we will back off on withholding money."

Because of the constitutional requirement, the state must plan for lower revenues and make efforts to balance the budget by June 30, the end of the fiscal year.

The University cannot assume that receipts will be better in April and May and act on what it knows now, Jones said. The University has only enough money to cover present obligations, he said.

The University has restricted non-personnel expenditures such as travel, purchase of new equipment and printing except for obligations that are essential, such as the printing of exams, Jones said. Faculty pay will not be cut, he said.

The potential for long-term consequences is very real, said Garland Hershey, vice chancellor of health

affairs.

"Any cut of this magnitude will have serious negative consequences for the University, and has the potential to affect all aspects of our program."

But the University is still struggling with the implications of the cut, Provost Dennis O'Connor said.

"Which departments it particularly will hurt is not known at this time. But we are telling deans and department heads not to spend another nickel."

O'Connor agreed the cut could have long-term effects.

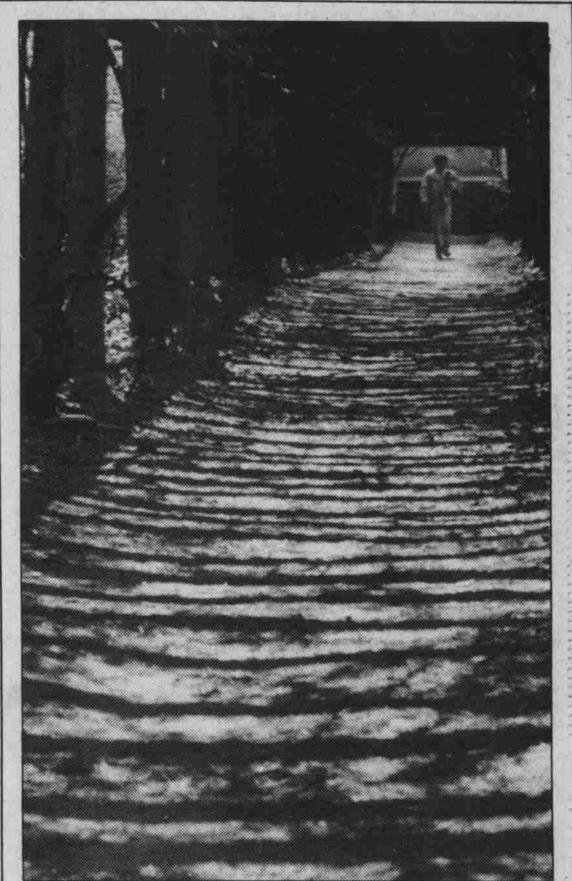
"It's very, very difficult to make that kind of cut at this point in the year... If someone has to close down certain things, it's very difficult to start them up again."

Officials are concerned that the University may be forced to pay for many obligations out of state funds from the 1989-90 budget, which means UNC could be in debt when the new fiscal year begins July 1, Jones said.

"It's up to department chairs, deans and chancellors to determine what obligations can be postponed. The more they can reduce expenditures, the less impact it will have on next year."

Every state agency, department and institution has been asked to tighten spending, Dorman said.

If revenue figures improve in April and May, the University may be put back on a more normal funding schedule, he said.



Sunny stroll

DTH/David Surowiecki

The warming weather Thursday provides a lone student with the perfect opportunity to enjoy a walk through Coker Arboretum.

BOG appoints Tuchi to vice chancellor post

By AMY WAJDA
Assistant University Editor

The UNC Board of Governors personnel committee approved the appointment of Ben Tuchi to the position of vice chancellor of business and finance Thursday.

Tuchi, now senior vice president for administration and finance at the University of Arizona in Tucson, will start in the position June 1.

Tuchi will replace Farris Womack, who was vice chancellor from 1983 to 1988. Wayne Jones, associate vice

chancellor of business and finance, has been acting vice chancellor since May.

"He (Tuchi) certainly brings an excellent background in experience, training and education," Jones said. "He is very highly thought of in the higher education community."

Provost Dennis O'Connor said Tuchi's experience at Arizona qualified him for the UNC post. "He demonstrated expertise in financial planning and capital planning at a university that is very good and not

too dissimilar to ours."

Tuchi also has the interpersonal skills necessary for the position, O'Connor said. "He is a forthright, directed individual."

Tuchi said he was attracted by the wide range of responsibilities included in the UNC job. "While the two universities are roughly the same size in budget terms, the vice chancellor post at UNC is a bit broader than my current post. The breadth of it attracted me."

He will direct the management of

UNC business and financial affairs — including administrative data processing, the budget, contracts and grants, engineering and construction, facilities planning, payroll, personnel, the Physical Plant, property management, and purchasing.

The University's total annual operating budget is \$600 million.

Tuchi will also serve as a board member and treasurer of the UNC Foundation Inc. and will advise the UNC Endowment Fund Board of Trustees on the management of the

endowment, now worth \$130 million.

Tuchi said administrators' and University community members' attitudes also drew him to UNC. "I found Chancellor Hardin's attitude and objectives attractive and compatible."

Tuchi said he would begin forming his plans by talking to members of the University community. "At the outset I will spend a lot of time with faculty groups, department chairs, student groups and staff members."

Jones said "the budgetary matters,

flexibility and relief from regulations that we are currently subject to" would be important issues facing Tuchi.

O'Connor said major University fiscal issues were financial campus planning, land use planning and program support, such as academic program support.

Tuchi has served since 1985 at the University of Arizona, where he is also a professor of finance and real

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BSM founder Batts outlines steps toward changing racism



By WILL SPEARS
Staff Writer

As a first step in solving racial problems, people must try to understand cultural differences by discussing them, a founder of the Black Student Movement said Thursday.

"One of the strategies for changing racism is to be able to talk about it," Valerie Batts said in a speech as part of Race Relations Week. "It's easier to understand cultural differences than to solve race relations."

Race Relations Week

Batts was a student at UNC from 1970 to 1974. Moving from her hometown of Rocky Mount to a community of 20,000 students at UNC was a big adjustment, she said.

"When I came to Chapel Hill in 1970, I felt like I imagine I will feel when I go to England for the first time next week."

Although she was a member of UNC's largest class of black students at that time, Batts said she was only one of eight blacks in Hinton James Residence Hall her freshman year.

"For me it was a lonely place, and it contributed to the isolation I felt in my first year. I was feeling confused about the rules of the game."

"I was in a suite with white students and it was just the year before that my high school had been integrated; there wasn't much integration going on, but we were in the same building."

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Demand for meeting space outgrowing Union facilities

By NANCY WYKLE
Staff Writer

The Frank Porter Graham Student Union has a shortage of available space and is experiencing problems making needed repairs, said members of the Union staff and students who use the Union.

The Union has 120,000 square feet of space for a student population of 22,305.

Although space is used efficiently, the Union is no longer able to house the increasing number of student groups wanting office and meeting space, Union Director Archie Copeland said.

Lack of space is a problem other universities also encounter. "I don't know of any union that doesn't have the problem," said N.C. State's University Center Director Lee McDonald. The largest problem is serving people who need meeting space.

NCSU plans to build an additional facility to help accommodate the growing student population.

The Bryan Center, Duke University's student union, is not experiencing space problems. The Bryan Center has about 160,000 square feet and serves a student body of 5,700 undergraduates and 3,500 graduates.

The Bryan Center has lab, drama, video and movie theaters. There is not a lot of meeting space, but most meetings take place in classrooms on campus, said Bryan Center Associate Director Peter Coyle.

The Bryan Center is also expanding to add two television stations and more office space.

Providing meeting space is more of a problem than office space at UNC.

Groups who make reservations one or two weeks before they need a room

are usually able to get one, said Union reservationist Anne Varley.

"There is more to do each year. This year it seems to have been full morning, noon and evening."

Groups that pick off-hours to meet stand a better chance of reserving a room, she said. "They would have better luck if they picked morning or early afternoon."

Student Body President Brien Lewis is in charge of delegating office space. About 35 groups applied for office space this year, he said. Of those that applied, about 30 will receive office space.

"We have a lot of people doubled and tripled up in cramped spaces."

Groups are given office space based on where they have been in the past, how often people use it, the number of students in the organization and how many people the organization serves.

"It's time we start looking at existing space," Lewis said. Expansion is a possibility some people have been talking about. "That's something that's going to come down the pipe eventually."

Lisa Schaeffer, secretary for the Black Student Movement, said that organization had adequate office space but could use more. "Naturally if we could have a bigger office, we would take one."

The Black Cultural Center needs more room, said Center Director Margo Crawford. "We definitely need more space. We need a more adequate BCC facility."

The building is not being kept in the condition it should be because of a lack of money, Copeland said. The University charges the Union about \$200,000 for utilities because student funds are the Union's main source of income.

Repairs and alterations cost \$73,000 per year, he said. This figure includes cleaning furniture and walls and basic repairs, and as the building ages, it requires more repairs. "We have to be conservative with money."

"We run a pretty informal operation. You don't see a lot of signs."

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For the Record

In Thursday's article, "Abortion protestors convicted," it was incorrectly reported that Ronald Alan Lewis was found guilty of second-degree trespassing. Lewis was found not guilty of the charges. The defense attorneys in the case were G. Norman Acker III and Philip S. Adkins. The Daily Tar Heel regrets the error.

You've got to learn to live with what you can't rise above. — Bruce Springsteen