### LOCAL

# **Study shows University is an** economic advantage for state

#### By Gerri Baer taff Writer

Every dollar invested into UNC by state government results in \$3 produced by N.C. business, a recently-released study reveals,

An impact study, conducted by Harvey Goldstein and Michael Luger, UNC professors of city and regional planning, shows that the University has a tremendous positive impact on the state's economy

"The study documented what we all thought was the case but could never put any numbers to it," said Wayne Jones, UNC vice chancellor for business and finance. "It demonstrated that the University had a greater impact that we would have guessed from just a conceptual view.

University officials distributed the results to the General Assembly, the Board of Trustees, Orange County civic and business leaders and the UNC Board of Governors

Jones said that although the study

was not intended specifically for the legislature, its results could help some legislators understand the importance of maintaining UNC's reputation.

The study will be beneficial for the legislature, but I wouldn't say it was prepared solely for the legislature," he said. "It was prepared more to demonstrate the importance of the University in the state of North Carolina than for fundraising purposes."

Luger said he expected University officials to use the study to educate legislators about UNC's impact. The study was an objective assessment of the situation, he added.

"Although we expected that the University of North Carolina would have an economic effect on the surrounding community, we set out without any expectations, as standard objective researchers," Luger said.

The researchers concluded that during fiscal year 1990, University spending contributed to \$766.9 million in new business for North Carolina and generated more than 22,100 jobs.

"Spending by University employees and their families accounted for the largest share of the total statewide economic impact" followed by University purchases and construction, according to the study.

The state's economy also benefits from the University's ability to attract the nation's top students and keep them

in North Carolina, the report states. "(UNC helps) reverse North Carolina's historic 'brain drain,' the exodus of some of the state's best and brightest to other states with greater economic, cultural and intellectual opportunities," according to the study.

Jones said the report emphasized the effect of outside resources the University draws to the state.

"Especially significant are the additional funds that the University brings from out-of-state," he said. "It means new money flowing through the state, instead of just recycling old in-state money.

According to the study, 63 percent of Triangle area businesses said intellectual, cultural, social and recreational opportunities the University brought to

## Lawyers may settle Yack case out of court

Staff report HILLSBOROUGH — Attomeys may settle the Yackety Yack embezzlement case out of court, although

a trial may be necessary later in the summer. Tracy Lamont Keene, who was accused of embezzling more than \$75,000 from the Yack, UNC's 102year-old yearbook, was scheduled to go to trial in Superior Court this week. His attorney, Jay Bryan, asked Tuesday morning that the proceedings be delayed.

But Assistant District Attorney Jim Woodall said he didn't think a trial would be necessary. "It's not a case that's up to be tried," Woodall said. "He admitted to it. He confessed." Following his arrest on Dec. 5, 1991, Keene told UNC police officers that he had committed the crime.

Although criminal court cases typically don't involve restitution, Woodall said he would seek repayment for the Yack.

"I'm going to ask for restitution," he said. "Whether (Keene) has the ability to pay, I don't know .... They're trying to get some options for the judge. "The Yack, the University, they want restitution. (But) the criminal system isn't set up for restitution, it's

set up to send criminals to jail." If the case is brought to trial, it would take place either at the end of the month or in August, Woodall said.

The Yack's financial future is unclear as it attempts to pay off a \$122,000 debt to Delmar, the Charlotte-based publisher of the book. Delmar has threatened to sue student government and the University if the Yack is unable to pay off its debts from the 1990 and 1991 books.

Yack officials are hopeful that they will receive loans from Student Congress or a local bank to help pay Delmar.

Student Congress may approve the creation of a special emergency discretionary fund, from which the Yack could borrow money. The fund would come from the Student Activity Fund Office's annual surplus.

In addition, Yack editor Shea Tisdale has asked Chancellor Paul Hardin for more assistance in raising money for the yearbook.

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its national reputation, Rhodes said. They say we need the out-of-state students to bring more culture to this system," he said, "I'd say a real naughty word for that one, starting with bull." Rep. Joe Hege, R-Davidson, said he

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had reservations about such a significant increase in the cost for some students. Sharp rises in tuition can deter potential students, he said.

"I expressed a feeling in the committee meetings that while I had advocated an increase, I also recognized the chance that there's a point when the increase could cause a decrease in out-of-state enrollment," Hege said.

Robinson said the loss of out-of-state students actually could decrease funds generated by the University. "If you raise tuition enough, then they won't come, and you won't have the revenue," he said.

Hege, a member of both the House appropriations subcommittee on education and a subcommittee on university education, said the state should have decided years ago to pattern tuition increases after inflation.

"I wish the issue of tuition increases would have been discussed 10 or 12 years ago on a more gradual basis," he said.

"Now all of a sudden we're being hit with significant increases. I am somewhat fearful that a significant increase in one year could have adverse effects.'



