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Hotel money was limited to building

Purchase will not increase tuition

By TIGE WATTS News Editor

USC's recent \$3.95 million purchase of the Carolina Plaza Hotel was the result of retired debts and a build-up of institutional bonds, USC administrators said Tuesday.

Administrators also said these institutional bonds cannot be used for any other purpose than building.

"We can't use these funds for anything else other than building purposes," said Earle Holley, associate vice president of Business and Finance.

\$75 of an in-state student's tuition and \$200 of an out-of-state student's tuition goes to the state treasurer's office. That money is put into a separate account used primarily for the university's debts such as building loans and renovations.

"When I was a student here, tuition was \$275 and they still put \$75 per student into these bonds," Holley said.

Administrators continued to claim that the hotel purchase would not be the cause for any tui-

tion raise next year. "We can sit here and tell you that your tuition will not go up to pay that capital cost of that hotel,"

USC President John Palms also said tuition will not rise because of the hotel purchase.

"The acquisition will certainly not affect tuition. We have always set aside this money for building purposes," Palms said.

Palms, however, would not say USC students should not look out for another tuition raise.

State revenue collections have dipped this past year and Palms said a 6 percent increase in the months of November and December must take place.

"The October collections decreased and there needs to be a 6 percent increase the next two months. I see no flurry of activity yet, so I don't expect the 6 per-

cent," he said. Palms said he did not want to speculate, but he did not say students would face no tuition

increase. "The Consumer Price Index is respectable and it depends on how



our bills are coming in," he said.

"If revenue collections don't increase, we have to find some way to relieve those revenue pressures," Palms said.

Palms said USC could make no more cuts in both academic and non-academic areas. "There's already 140 vacant positions. We can't cut anything else out," he said.

purchase was a remedy for USC's problems with instructional sites, conference needs, asbesto problems and research space.

"Ever since I came here, we've been looking at this purchase. We have a tremendous space need and when this comes on the market, we have to acquire this land," he said.

"We've talked this purchase over with the board for some time. Some professors are turning down research grants because of inadequate space," Palms said.

Palms also attacked criticism by state officials for rushing the purchase approval to the Commission on Higher Education. The CHE must give USC approval to buy the hotel first.

"We had to expedite this to the CHE because of a Feb. 1 deadline," Palms said.

USC will answer questions from the CHE on Jan. 7 because of federal agency's bankruptcy policy. USC was able to make the purchase because of a failed business venture and they are then open to these guidelines.

Oops!

Carolina Shuttle in accident, new route introduced

By PATRICK VILLEGAS Assistant News Editor

A Carolina Shuttle was involved in a minor accident Tuesday morning when the shuttle and a dump truck scraped into each other on Lincoln and Devine streets, Coordinator for the Carolina Shuttle Derrick Huggins said.

The accident, which caused no injuries, left the shuttle with a loss of paint on the right side of the

Huggins said both drivers of the vehicles were being charged with the fault. The shuttle driver, he said, will go before the accident review board, and will most likely be verbally counseled.

The accident was the first reported this semester, Huggins said. He said the only other cases of accidents reported this semester is when the shuttles on Greene Street accidently hit car mirrors located on parked vehicles.

In other shuttle news, a trial Express Route has been added to the bus schedule with new stops at Capstone and The Horseshoe area, Huggins said.

Because of the parking problems that will occur when the new USC parking gargage is being built, he said the new route will help students get from The Horseshoe area students have to park near Greene



Greg Rickabaugh/The Gamecock

A Carolina Shuttle (above) was scraped Tuesday when it and a service vehicle tangled in an accident. No injuries were reported. The shuttle (right) suffered minor paint damage on the right side of the vehicle.



Huggins also said the Express to the Capstone area when these Route will solve some of the complaints from Columbia Hall and

to the other side of campus.

The shuttle route will be on a trial-run until the end of the continued for the spring semester.

Capstone residents who need to get semester, Huggins said. If the route is determined to be costefficient and feasible for the transportation department, it will be

Holderman's tenure discussed

Palms, meanwhile, said the hotel Revocation process to convene soon

From Staff and Wire Reports

A USC faculty committee meeting to decide whether ex-school president James Holderman's tenure should be revoked will be convened soon, although no date has been set, a university spokeswoman said.

John Palms, USC president, began the revocation process Sunday, Spokeswoman Debra Allen said. Palms had the request for the faculty committee meeting hand-delivered to chairwoman Marcia Welsh on Sunday afternoon.

Allen refused to release the letter because "it's a personal matter."

Revoking tenure - a virtually guaranteed, lifetime teaching position - of a former university president is rare in American higher education. USC officials could not remember such a revocation ever happening at the university.

If Holderman's tenure is revoked, he will lose a guaranteed lifetime teaching job at a salary between \$60,000 and \$80,000 per year. On unpaid leave from USC, Holderman is scheduled to begin teaching in the Department of Government and International Studies next

Palms had said he would begin the tenure revocation proceedings Monday unless Holderman surrendered his claim on the teaching position. Palms had given Holderman until Sunday to quit. Under USC tenure revocation procedures, Holderman could demand a closed hearing before a faculty committee, in which he would have the right to confront witnesses against him.

The process is expected to take more than a month, and the final decision would be up to the USC Board of Trustees.

One of Holderman's lawyers, Thomas Vernon of Columbia, said he could not comment on Palms' decision to proceed or whether Holderman will fight the tenure revocation.

"I would guess (Holderman) would fight it," said Joe McCullough, a Columbia lawyer who formerly worked in the USC legal department under Holderman.

Robert Kreiser, associate secretary of the American Association of University Professors in Washington, could not remember any similar tenure revocation cases.

"College presidents leave for all kinds of reasons, but usually not under such dark clouds,"

Holderman was USC president from 1977 to 1990 when he resigned amid criticism of his

contest to state income tax evasion and pleaded guilty to accepting extra compensation.

After Holderman's conviction, Palms notified him that he would begin proceedings to revoke the ex-president's tenure.

In October, The Charlotte Observer reported allegations that Holderman made repeated sexual advances to male interns during the 1980s.

In the 1980s, records show, Holderman spent hundreds of thousands of dollars of public money paying for the intern program. Students told The Observer that Holderman made sexual advances after giving them gifts, including cash, clothes and secret scholarships.

After the allegations surfaced, Palms sent out letters to former students and faculty, asking them to come forward with what they knew. He received a number of replies.

So far, Palms said Tuesday he has received some replies, but not much more when asked a month ago. However, Palms said he does feel confident in his case against Holderman.

"I would not be going forward with this un-less I felt confident with it. This is a very serious matter and this is the hardest thing I've ever had to do in my academic career," Palms said.

BRIEFLY IN THE NEWS

In the World ...

Former American hostage Alann Steen, smiling and weeping for joy, was freed by Shiite Muslim extremists Tuesday after five years of captivity in Lebanon and said, "It's great to be out."

The 52-year-old teacher was the second

hostage released in two days, and his freedom augurs a speedy resolution to the hostage drama. Joseph Cicippio was released over the weekend. There is growing speculation that the last American captive, journalist Terry Anderson, will soon be free.

Mikhail Gorbachev issued a dramatic appeal Tuesday for preserving the nation, warning of possible warfare and a "catastrophe for all mankind" if the Soviet Union disintegrates.

"Without the union, there will be an eternal erosion of our society as a whole," Gorbachev said in his written appeal, portions of which were released by his spokesman, Andrei Grachev.

In the Nation ...

■ The Food and Drug Administration chief said Tuesday the agency will allow wider use of an experimental drug for Alzheimer's disease, but he cautioned that it is not a cure and might offer only temporary relief from memory loss.

"It's very important to underline that it's only suggestive that the drug works," FDA Commissioner David Kessler said on "CBS This Morning."

Letters to Santa both heartwrenching and hopeful have been pouring into New York City's general post office by the thousands this troubled holiday season.

"I am a very poor woman and I have three kids," wrote one New York mother.

"If you will please send us something to

eat, clothes to put them in and toys to play

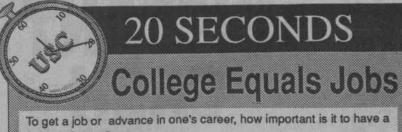
In the State ...

■ The spill of radioactive water at Oconee Nuclear Station in Seneca was twice as large as the company originally reported, a company spokesman said.

Duke Power officials originally said they believed the amount of water that leaked from one of the reactor's steam generators on Nov. 23 was near 30,000 gallons. A day later, that amount was increased to 50,000 gallons.

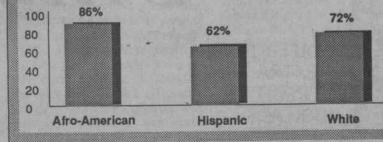
■ Three South Carolina colleges are eyeing Myrtle Beach Air Force Base facilities as a possible site for college campus and research buildings, officials said.

The projects for an academic center being considered by Clemson University, Coastal Carolina College and Horry-Georgetown Technical College at the base range from studying tourism and golf course maintenance to engineering technology.



college degree?

Percentage By Culture Saying It Is Very Important To Have a College Degree To Get a Job. 62% 80



• 68% of blacks said "they have as good a chance as whites to get a good education." 43% of blacks said "they have as good a chance as whites to get any kind of job for which they are qualified."

Ryan Sims/The Gamecock