

## New LED Sign on Corner of Campus Causing Stir

HATTIESBURG – As of this writing, Ed Kemp’s 8-Oct-2010 [investigative report](#) for *The Hattiesburg American* on the new LED sign at the corner of the USM campus has already generated nearly 50 comments from online readers. The debate centers on the financing for the project, which cost USM \$104,800. According to Kemp’s report, USM’s information technology auxiliary – iTech – funded the board; iTech head Homer Coffman said the video display board, located on the corner of Hardy Street and U.S. Hwy 49, needed to be upgraded from its previously idle state.



The new University of Southern Mississippi electronic billboard at U.S. 49 and Hardy Street is expected to be 70 percent more energy efficient than the old board, officials say. The sign will be used to deliver messages about campus events, traffic and emergency situations such as contraflow directions in the event of a hurricane. (george clark | Hattiesburg American)

As one might expect, however, the nearly \$105,000 expenditure is generating concerns among USM faculty and students. Associate professor of history, Doug Chambers, told Kemp that “\$105,000 will pay for two tenure-track assistant professors . . . It would more than pay for the salary and benefits of (one) tenured associate professor and even a full professor.” Chambers’ disgust with the sign expenditure comes at a time when USM president Martha Saunders is issuing termination letters to 29 tenured and tenure-track faculty. Last year Saunders delivered more than 10 such notices, all in an effort to cut \$25 million from the institution’s operating budget. Next year many expect another \$10 million in cuts to hit the university.

Using the new LED sign as an example, Chambers also expressed to Kemp some concerns about the overall priorities of the Saunders administration. Chambers told Kemp, “[w]hen it’s a nicety for the university – but a ‘necessity’ for the [Saunders] administration – they always find money for it . . . The choices the dome is making are very curious.”<sup>1</sup> Junior religion major Molly Richard went at least as far as Chambers in condemning the administration’s decision by telling Kemp, “[o]bviously I don’t think a billboard is more important than my education . . . I didn’t come for an electronic billboard, I came for my degree [(program), which was recently eliminated] . . . One thing that is very apparent during this whole process is how difficult it is to find out where money comes from . . . and where it goes.” Sources tell USMNEWS.net that Richard’s frustration, and lack of understanding about budgetary issues at USM, appears to be widely shared by the readers of Kemp’s story for *THA*. To clear up some of the confusion, at least with regard to the new LED sign, the USMNEWS.net news team has asked USMNEWS.net editorial contributor, Duane Cobb, to provide some explanation (see below).

### **The iTech Auxiliary & the New LED Sign**

*by* Duane Cobb

Ed Kemp’s report on the new LED sign is correct in identifying USM’s iTech as a university auxiliary. This division of the university provides faculty, staff, and students with Internet and phone services, and other information technology-related services. As you might imagine, all three of these constituencies – faculty, staff, *and* students – rely heavily on information technology types of things in doing academic and administrative work. Of course, iTech is their sole source for these things. As an auxiliary, iTech must be self-supporting. That is, its expenses must be covered by its revenues. That means that iTech sets prices for its services, and students and the various academic units around campus pay these prices to obtain information technology services from iTech. Apparently, iTech has enough money in its till this year to fund a \$105,000 LED board for the corner of Hardy Street and Highway 49. That means that iTech is charging prices that are high enough to generate a tidy budget surplus. It is also likely that iTech *still* has money sitting around, even after funding the new LED board. Such money could go anywhere, I suppose, such as into higher salaries for current iTech executives and employees. Or, it could go into hiring new iTech personnel, and thus into expanding that size of that division. If it has a six-figure surplus this year, it likely has had other surpluses like this in years past. Hence, it is also likely that iTech personnel, like Homer Coffman, are earning “market” rates for the work that they do, unlike many, if not most, USM faculty and staff. The real lesson here, though, is that the academic units around campus are being charged enough by iTech for iTech to have a substantial budget surplus – one large enough this year to fund a \$105,000 billboard on the corner of campus. Thus, it is partly because of iTech’s budget-surplus-producing charges that the academic units around campus are struggling to financially support their academic programs. Put differently, iTech’s budget-surplus-producing charges are causing a budgetary redistribution *from* academics *to* things like LED billboards. This is simply another case of the USM tail (non-academic auxiliaries) wagging the USM dog (academics).

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<sup>1</sup> USM faculty, staff and students often refer to the central administration building as “the dome.”