

N.C. Workers Spend Now, Save for Later

State workers in North Carolina are the first in the country to be able to supplement their retirement savings through their credit card use.

The North Carolina Accelerated Savings Assets Plan allows participants to use any credit card. After registering for the program, a percentage of their purchases at nearly 500 merchants will be placed into their 401(k)-style retirement accounts. Merchants are assessed a small fee to pay the vendor; thus, there are no costs to the state or its retirement system.

Approximately 700,000 current and retired public employees in the state have a traditional retirement plan. Only 150,000 have opted for the rebates through a supplemental 401(k) account. State Treasurer Richard Moore is hoping for a huge increase in that number.

"I'm a huge fan of forced savings," Moore says. "Once people see the power of compound interest, they can get hooked."

Resource: North Carolina Accelerated Savings Assets Plan at www.ncsap.com

Check This Out – For Yourself

According to a recent study, the self-checkout business should surpass \$1 billion in market value by 2005.

Supermarkets, home improvement centers and other retailers are finding that systems are becoming increasingly cost effective. Although features and design differ, all self-checkouts have some common mechanisms. Most familiar today are units that use a display to guide the customer through the process of purchasing goods. Each item is scanned as the screen keeps a running tab of their purchases. The customer then bags the items.

Shoplifting concerns are addressed as bags are placed on scales or sent through a tunnel to verify the accuracy of the purchase. An attendant keeps track of several units at a time, watching the process via cameras attached to the checkouts, verifying non-bar coded items and checking ID for alcohol and tobacco purchases.

Even more convenience is on the way in handheld wands to scan items on the shelf. A built-in screen will show the price. Users can then swipe the wand at the checkout kiosk to pay.

Retailers report that self-check shoppers purchase up to 50% more per visit and are more loyal. According to the Food Marketing Institute, 70% of supermarkets will have self-scanning checkouts by 2009.

Beat the Checkout Line
Supermarkets with Self-Scanning Checkouts



Source: Food Marketing Institute, Kiplinger

Coal Not Alone in Energy Mix

The fact that coal accounts for nearly 95% of Indiana's electricity supply is well documented. In the year 2003, Indiana's coal production increased 0.2% to 35.4 million short tons.

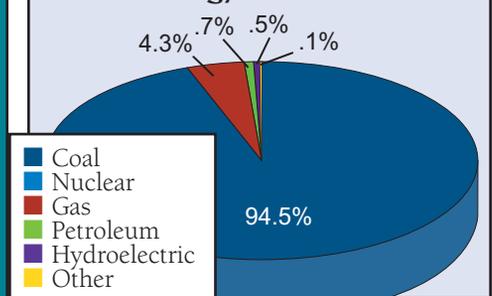
Coal is important for other regions of the country as well. The use of coal for energy has nearly tripled in the past 30 years, and it generates half of all electricity consumed in the U.S. The government estimates that electricity from coal will increase 25% by 2020.

Diversity, however, remains critical, particularly when looking at electric use by regions of the country. Price, availability and reliability of supply are among the key factors. Among the interesting energy mixes:

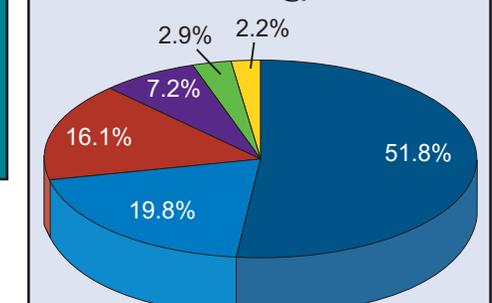
- 41% gas and 33% hydro power in Washington, Oregon and California
- 29% gas and 26% nuclear in Maine and its northeastern neighbors
- An even 36% nuclear and 36% coal in New York and Pennsylvania
- Nuclear a clear second to coal in the South Atlantic (Virginias down to Georgia), 55% coal, 26% nuclear; and East South Central (Kentucky south to Louisiana and Mississippi) 66% coal, 19% nuclear

Resource: Energy Information Administration at www.eia.doe.gov

Indiana Energy Mix



United States Energy Mix



Students Work; Needy Residents Benefit

A little fruit can go a long way. An Indianapolis produce company has found a way to repay a group of Ball State students for their work – donating a weekly supply of fresh produce for a year to Christian Ministries of Delaware County, a social service agency providing emergency assistance.

Students from Ball State's Center for Information and Communication Sciences (CICS) are working with Indy Fruit to analyze the company's e-commerce system. It may seem strange that these students are not directly experiencing the fruit of their labors – but that's how they want it. The bonus for the students is they gain professional work skills by volunteering.

The project began earlier this year when Indy Fruit was searching for assistance in upgrading its web site. The company was founded in 1947 and supplies fresh produce to Indianapolis area retailers.

Students have labeled the fresh produce "technology fruit."



The connection with Christian Ministries was made through Muncie's United Way Community Tech Link, which provides assistance on technology issues. When the agency has extra fruit, it shares it with other pantries, extending the reach of the students' work and the company's fruit payments.

Resource: Ball State University at www.bsu.edu

Simpler Employee Drug Tests on the Way

Among the items subject to company cutbacks in recent years has been employee drug testing. High costs are one factor, along with slow turnaround times, hints of inaccuracy and employee unhappiness.

A recent proposal from the United States Department of Health and Human Services intends to make the process easier and less invasive. A revision to the Mandatory Guidelines for Federal Workplace Drug Testing Programs would establish guidelines for the testing of hair, oral fluid (saliva) or sweat in addition to urine (the specimen that must be used under current regulations).

Hair testing increases the time period over which drug use can be detected, is easily collected, transported and stored, and is more difficult to adulterate than urine. Oral fluid testing is readily available, less invasive and more easily observed than urine specimen collection. Drugs can also be detected in oral fluids within one hour of use. Sweat testing is conducted by collecting perspiration on sweat wipes or a sweat patch.

The procedures are expected to receive final approval early next year for use in federal workplaces, with private companies to follow suit.

Defining the Gas Tax Return Shortfall

As hopes remain for Congress to reauthorize a six-year transportation bill worth close to \$300 billion before adjourning for the year, a recent study by the Environmental Working Group found that commuters in 176 metropolitan areas paid a total of \$20 billion more in federal gas taxes than they received in federal highway trust fund money from 1998 through 2003. Taxpayers in 54 metropolitan areas lost an estimated \$100 million or more during the six-year period analyzed.

Taxpayers in an estimated 158 metropolitan areas received 90 cents or less for each dollar paid in gas taxes. A total of 104 metro areas, including Dallas, Orlando, Tucson and New Orleans, received 75 cents or less; 69 metro areas got back less than two thirds of what their drivers paid in gas taxes.

As a state, Indiana currently receives 89 cents on each dollar of gas tax sent to the federal government. The range by metropolitan area, according to the study, is 37 cents in Kokomo to \$1.05 in the Lafayette area.

The Indiana Chamber is working with the state's congressional delegation in the effort to raise that amount to 95 cents, says David Holt, vice president of workforce development policy and federal relations for the Chamber.

Resource: Environmental Working Group at www.ewg.org



Biggest Gas Tax Gaps

1998-2003

Area	Return on \$1 sent to Washington	Spending shortfall (millions)
Los Angeles/Orange County	87 cents	\$1,200
Dallas/Fort Worth	75 cents	\$1,100
Phoenix/Mesa	62 cents	\$904
Atlanta	80 cents	\$786
Detroit/Ann Arbor/Flint	83 cents	\$639

Training Benefits Court Employees

Part of the challenge of having efficient local and state court systems is making sure court employees are able to keep up with evolving technology. The Indiana Supreme Court Judicial Technology and Automation Committee (JTAC) is tackling the challenge by continuing to sponsor the Judicial Employee Computer Training Program at Ivy Tech State College.

In mid-2001, JTAC began offering fully funded computer training to Indiana's judicial employees through the partnership with Ivy Tech. Since that time, approximately 1,036 employees in nearly 70 county clerk offices and trial courts throughout the state have participated in the program. Course offerings have included computing, the Internet and Microsoft Office software such as Word, Excel and PowerPoint. In total, a

variety of 262 courses have been taken for a total of 28,155 contact hours.

"The statewide case management system project being developed by JTAC under the leadership of Justice Frank Sullivan is the single largest project of any kind ever undertaken by the Indiana judiciary," Indiana Chief Justice Randall T. Shepard says. "We are convinced that it will greatly increase court efficiency and produce important public safety benefits."

In many locations, Ivy Tech has tailored the class curriculum to meet the specific needs of clerk and court employees. In some locations, where justified by enrollment, Ivy Tech has provided the classes in the local courthouse.

Resource: David Remondini at (317) 233-8684 or www.in.gov/judiciary/jtac/

Study Details Prison, Inmate Boom

A portion of Indiana's budget challenge is due to rapidly increasing corrections costs. The state is not alone in paying for rising prison populations.

A recent Urban Institute study found that 30% of residents of certain counties in the United States are behind bars. In addition, almost a third of counties have at least one prison.

Reflecting this nationwide trend, the prison population in Indiana grew 3.1% in 2002, to more than 21,600. Indiana's adult male inmate population has increased 144% over the last 20 years, while the number of females in prison has soared 370% in that same time period.

Prisons across the country are increasing in number and location. The number of federal and state prisons grew from 592 in 1974 to 1,023 in 2000, with the number of inmates at 1.3 million. In the 10 states that built the most prisons from 1980 to 2000, the counties with at least one prison increased from 13% to 31%. In Florida, 78% of the counties have at least one prison.

Most Prisons Built

1980-2000

Texas – 120

Florida – 84

California – 83

New York – 65

Michigan 60



Compiled by Rachel Copley

U.S. Maintains Technology Edge, But ...

Despite increases in activity from other nations, the United States' dominance in technology

remains – for now. Among the reasons:

- Spending \$276 billion on research and development (R&D) in 2002, three times what second-place Japan spent
- R&D spending growth and resulting benefits in the service industries that are so critical to the economy. In the U.S. in 2000, 35% of R&D was from service firms, compared to 13% for the European Union and 2.5% for Japan
- Attracting talent with 75% of worldwide Ph.D. graduates spending two to three years in postdoctoral programs

That talent dominance, however, also poses one of the biggest threats.

- As opportunities increase around the world, the 38% of U.S. workers with Ph.D.s in science and engineering who come from other countries will certainly decrease. Fewer workers will come to the U.S., with more already here likely to head back home
- Nearly 25% of U.S. science workers are nearing retirement, with not enough graduates in line to replace them. Math degrees, for example, have dropped by 20% since 1990

Resource: Kiplinger at www.kiplinger.com