# No easy way to cut CalSTRS benefits

# Current teachers and retirees well protected

Posted on 2/01/11 • Categorized as Pensions

#### By John Fensterwald - Educated Guess

Call it pension envy, matched by frustration over higher pension contributions that taxpayers will eventually be asked to fork over. The clamor for cutting public employees' pension benefits has grown louder. And that includes calls to change CalSTRS, the pension system serving 852,000 teachers and administrators in California.

The Legislature approved bonus benefits in the fat years of Wall Street when it looked like pension systems would forever be fully funded. (See <u>excellent post</u> by Ed Mendel of Calpensions.com.) Then the recession hit, and, amid mortgage and bank fraud on Wall Street, stocks tumbled. The downturn on Wall Street in 2008 has left CalSTRS and CalPERS, which serves state employees and some school district employees, needing higher taxpayer and employee contributions to make up for problem investments. (See earlier post.)

But those who see cutting pensions as a way out of the current state budget deficit and school districts' cuts should think again. Analysts say the state cannot legally renege on payments to retirees or promises to current employees. Courts have been protective of guarantees made to public employees, and the Legislature, which sets the pension benefits and contribution rates for CalSTRS, will have to provide some other comparable benefit, like higher pay, if tries to cut CalSTRS' obligations to workers.

"This means that pension contracts for existing and past employees are uncommonly difficult – or expensive – to change," said Jason Sisney, director of State Finance Policy for the non-partisan **Legislative Analyst's Office**.

That's not to say legislators or **groups pushing reform** by initiative may not try. Some argue that local governments and the state have the right to change future benefits for current employees after crediting them for what they've already earned. Courts will likely be skeptical, Sisney said.

What the Legislature could do is change the system for *new* employees: switch from a defined benefit to a matched contribution 401(k) plan, raise the retirement age, or alter the formula, based on a person's age and years of teaching, used to determine the retirement benefit. But that wouldn't help the state's immediate budget crisis, and, if done punitively, could be one more factor to discourage potential teachers from entering the profession.

### **CalSTRS versus Social Security**

CalSTRS is a much better deal than Social Security, where the full retirement age is later (66 or 67 for baby boomers, depending the year of birth) and the payout is less, calculated on a lifetime of yearly earnings, not the final – and usually the highest paying – year of work.

A teacher, principal, or superintendent who retires at the age of 60 after, say, 35 years of teaching and managing, will receive 70 percent of her final year's salary. If she waits three more years, retiring after 38

years at age 63, she'll get 91 percent of her last year's salary. And if she works about 42 years and retires after 63, she can expect to receive her full final year's pay every year for the rest of her life.

The average Social Security benefit – about \$1,000 a month, or a little more than \$12,000 a year – replaces about a third of workers' average earnings. The median yearly benefit of newly retired CalSTRS members was \$49,000 per year last year, or about \$4,100 per month. At the high end were top district administrators with retirement incomes well exceeding \$150,000.

But many workers in private industry get to combine Social Security with company-paid pensions or employer-matched 401(k) plans; CalSTRS members don't have those. And teachers and administrators also pay substantially more into CalSTRS than workers in the private sector pay into Social Security: 8 percent of paychecks is deducted for CalSTRS members, versus 6.2 percent deducted for Social Security (actually only 4.2 percent this year, because of the one-year tax cut Congress passed in December). In addition, teachers who have worked other jobs in their careers also qualifying them for Social Security will not receive full benefits of both. They are penalized, with some portion of their Social Security benefits wiped out.

There may be ways that the Legislature can tinker around the edges without running afoul of the courts. Last year, legislators passed <u>SB 1425</u>, which would address "spiking," the practice of boosting the last year of pay by throwing in non-salary items, like the value of a car allowance and unused vacation for upper-level managers. It would base the retirement benefit for all public employees on the average salary of the final three years of work, instead of the final year. That's what done now for CalSTRS employees who retire with fewer than 25 years of service.

Gov. Schwarzenegger vetoed the bill because it was attached to another retirement reform he felt didn't go far enough. Sen. Joe Simitian, a Palo Alto Democrat who sponsored SB 1425, has resubmitted it this year as <u>SB 27</u>. It's likely to pass again.

# Dan Walters: Jerry Brown's plan still faces big hurdles

By Dan Walters <u>dwalters@sacbee.com</u> Published: Tuesday, Feb. 1, 2011 - 12:00 am | Page 3A

Three weeks after proposing big spending cuts and more taxes to close the state's chronic budget deficit, Gov. Jerry Brown beseeched legislators Monday to quickly place his plan before voters, raising the specter of even deeper whacks at education, social services and other public programs if it fails.

With scarcely a month remaining before his self-imposed deadline for legislative action, Brown cited the democratic upheaval in Egypt in urging legislators not to "block a vote of the people" on his plan.

"I came here not to embrace delay or denial, but to get the job done," Brown said in a widely televised State of the State address, while acknowledging the reluctance of budget stakeholders and Democrats to make spending cuts and Republicans and anti-tax groups to extending \$11 billion a year in temporary taxes.

"They (voters) have a right to vote on this plan," he said. "This state belongs to all of us, not just those of us in this chamber. Given the unique nature of the crisis and the serious impact our decisions will have on millions of Californians, whether it's more cuts or extended taxes, the voters deserve to be heard."

Brown's Solomon-like plan faces two very high political hurdles – and a very tight time frame to boot.

One is a Legislature dominated by very liberal Democrats and very conservative Republicans. The former are feeling heat from advocates for the poor, elderly and disabled who oppose the billions of dollars in permanent "safety net" spending cuts Brown wants, while the latter are being pressed by anti-tax groups to oppose tax extensions.

Outwardly, nothing Brown said Monday appeared to change any minds. Republicans continued to oppose taxes while Assembly Speaker John A. Pérez, who has close ties to public employee unions and other budget stakeholders, reacted very coolly, portraying Brown's budget as "worthy of serious consideration by every member of the Legislature."

Even were Brown to win enough votes to place taxes before voters in a June election, however, he would face a tough, perhaps uphill, battle to win their approval.

A new Public Policy Institute of California poll found that voters reacted fairly positively to Brown's specific proposal to extend tax increases enacted in 2009.

But majorities also said they were taxed too much already, and in general strongly opposed increases in income, sales and auto taxes.

The governor has said he's reluctant to specify draconian cuts in education, health, welfare and prison spending that would result should the tax extensions be rejected by the Legislature or voters, lest he be accused of fear-mongering.

He describes Plan B as "so horrible that we don't want to release it." Perhaps it's fitting that the Latin name of California's extinct grizzly bear is *ursus arctos horribilis*.

### Onizuka Monument to Be Refurbished By J.K. YAMAMOTO Rafu staff writer

Jan. 28 marked the 25<sup>th</sup> anniversary of the accident that took the lives of Ellison Onizuka and six crewmates. In Little Tokyo, the monument dedicated to the crew of the space shuttle Challenger attracted more attention than usual because of a large wreath placed next to it — an annual tradition.

To observe the anniversary, the Onizuka Memorial Board, which oversees the memorial, has decided to refurbish the model of the Challenger, which stands atop a base containing plaques dedicated to the crew. The shuttle is 12.5 feet tall, and the entire model, including boosters and fuel tank, is more than 18 feet.

"It's deteriorated quite a bit," said Allen Murakoshi, president of the board. "We noticed it a couple of years ago ... There's also work that needs to be done on the electrical. Right now we're in the process of doing all the planning. Hopefully it will be done in three, four months maybe. The city is involved in our planning, so we're working with the Community Redevelopment Agency."

The model was built in 1990 by Isao Hirai, president of the Scale Model Company in Hawthorne. "He basically obtained the specifications from North American, who built the shuttle," Murakoshi said. "This model is to (one-tenth) scale, and the paint that you see is the exact paint that you would have seen on the Challenger ...



"We noticed that there's also some separation on some of the parts, there's erosion on some of the paint, and what we plan to do is remove the model temporarily and take it to the shop, where they can do a better job of refurbishing it. At the same time we will check the internal structural integrity of the model."

He noted that astronauts who have seen the model say it is "exactly like the Challenger was at that time."

Murakoshi, who has been on the 13-member board since 1994, inspected the monument along with Vice President Ted Tashima and Treasurer Herb Omura, both of whom are original board members.

The original president, Matt Matsuoka, knew Onizuka and his family personally. He was invited to witness the launch of the Challenger but was unable to attend.

Like the Onizuka Memorial Committee on Hawaii's Big Island, the Los Angeles group sponsors an annual Space Science Day for young people during spring break. It started at University of Southern California and was moved to El Camino College in 1999.

"Our primary intent for having Space Science Day is to follow Ellison Onizuka's dream," Murakoshi explained. "He wanted to give the message to the young kids that no matter how large your dream is, it's always achievable. He wanted them to get very interested in science, technology, so we decided that we should have a conference where we can invite the kids.

"We have approximately 1,000 students attending at El Camino College, and we have various breakout sessions covering various technologies and science. We always have a guest astronaut from NASA in Houston. We also have astronauts from the Japanese space agency, JAXA. They ... talk about Ellison, talk about the space program. Then we have a breakout session where the students in attendance can speak directly to the astronaut."

Onizuka became the first Japanese American in space in 1985 during a mission for the Defense Department on the shuttle Discovery. That year, he served as grand marshal of the Nisei Week Parade. After the tragedy, Weller Street was renamed Astronaut Ellison S. Onizuka Street.

"The merchants around Weller Court decided that they wanted something significant to have in memory of the Challenger crew ... Through fundraising by the merchants here as well as other people, they were able to raise the funds to build this monument," Murakoshi said.

"This monument gets a lot of visibility," he added. "We see students come to the monument and teachers explainin the shuttle program. It's before their time, so the young students of today don't quite remember Challenger and Astronaut Onizuka. So what we try to do is keep the memory alive."

# **Pepperdine's Soggy Waffle**

By *kaldveer* Created 02/07/2011 - 12:04am

### **By Peter Schrag**

Education research, someone famously said many years ago, "is a soggy waffle." Nothing demonstrates that better than the latest version of a Pepperdine University report purporting to show that, as one headline summarized it, since 2003 "California schools spent less in the classroom as budgets increased."

Politically, especially for tax cutting conservatives these days, it's a great weapon. But as research, it's hard to imagine a soggier waffle.

School districts, the report suggests, don't need more money. If they just devoted enough to the classroom and cut out the waste, especially the money spent on bureaucrats, they could hire thousands of additional teachers, give every student a computer and still have money left over. In just one year, the report says, the state could have captured an additional \$1.7 billion for the classroom, good for 21,000 more teachers.

# ACCT to ask WASC to extend NMC deadline Saipan Tribune

Tuesday, February 08, 2011 By Moneth Deposa Reporter

The organization helping the Northern Marianas College recruit a new president will ask the Western Association of Colleges and Schools to extend the latter's deadline to submit its new show-cause report.

Presidential search committee chair Andrew Orsini confirmed that Association of Community College Trustees vice president Narcisa Polonio will ask WASC for an extension on NMC's deadline.

"We're hoping that in the planned communication with Dr. [Barbara] Beno, a high consideration will be made because NMC, together with ACCT, is making progress in recruiting for a new president," said Orsini, adding that the ACCT official has volunteered to make the effort to help NMC.

So far, 28 individuals have applied for the position. Orsini said the search panel is committed to having a final candidate within the month. "We will do our utmost best to fulfill compliance and meet all [recruitment] standards."

The lack of a permanent college president was among the many deficiencies cited by the accrediting commission when it imposed the continued show-cause status last week. The order stated that failure to rectify all these will result in the termination of NMC's accreditation.

NMC has had seven presidents in the past 10 years. This high turnover rate, not just with the chief executive officer post but with other managerial positions, has earned NMC a reputation of having an "unstable" leadership.

Press secretary Angel A. Demapan, meanwhile, said the administration is confident that NMC will resolve all issues on time.

"While the administration had hoped that NMC would have received a more pleasant decision, the administration is confident that the college will be able to address its pending deficiencies within the allotted time frame," he told Saipan Tribune.

The commission's continued show-cause order had also indicated that since the loss of accreditation will likely cause the college to close, NMC must now make preparations for closure.

Commission records indicate that NMC has already developed procedures for closure and has an agreement with Guam Community College for a teach-out of its courses and programs.

### College chancellor responds to pay raise criticism

#### The Grade | Friday, Feb 04 2011 11:57 AM

Last Updated Friday, Feb 04 2011 11:57 AM



Responding to criticism from Bakersfield College students and staff about her most recent pay raise, Kern Community College District Chancellor Sandra Serrano said Tuesday her \$20,000 pay bump was in line with salary schedules and does not affect the college's budget situation or goals.

During an open forum in November, Serrano said district trustees adjusted her salary to stay competitive with other chancellors' salaries throughout the state. She said she was the lowest paid, according to Bakersfield College's <u>The Renegade Rip</u>. The raise bumped her salary to \$282,450, not including retirement contributions.

But, according to The Rip, at least two chancellors received less than Serrano.

Serrano said the decision was the trustees', who granted the raise in order to keep in line with salary schedules and to "retain talent."

Stuart Witt, district board president, said the raise was necessary because the state is experiencing a void of qualified leadership.

"Given the extraordinary times we face, the Board of Trustees felt compelled to retain the leadership team and compensate our chancellor based on exceptional performance in the most difficult of times," Witt said in an e-mail. "Given the uncertainty of state funding, it is not a time to take a chance of losing exceptional talent to another district. It is time to maintain and ensure retention of what we have."

Throughout the college, however, students and faculty say administrators should not be asking for raises, and instead volunteer for pay cuts in light of budget cuts. According to The Rip, 106 class sections were cut from the spring 2010 schedule.

In responding to criticism, Serrano said, "I don't feel there is a response that will ever satisfy everybody."

## Mend It, Don't End It Inside Higher Ed February 4, 2011

ALEXANDRIA, VA. -- About two-thirds of the way through the first day of the Education Department's <u>two-day forum</u> on higher education accreditation, something strange happened: a new idea emerged.

Not that the conversation that preceded it was lacking in quality and thoughtfulness. The discussion about higher education's system of quality assurance included some of the sharper minds and best analysts around, and it unfolded at a level that was quite a bit higher than you'd find at, say, the typical Congressional hearing.

The discussion in a hotel conference room outside Washington was designed to help the members of the Education Department's National Advisory Committee on Institutional Quality and Integrity understand the accreditation system, so it included a wide range of voices talking about many aspects of quality, regulation and oversight in higher education. The exchanges served largely to revisit history and frame the issues in a way that probably seemed familiar, at least to those who follow accreditation closely.

The basic gist on which there was general agreement:

- Higher education accreditation is imperfect (seriously so, in the eyes of some), with many commentators citing how rarely the agencies punish colleges and how inscrutable and mysterious their process is to the public.
- Politicians and regulators are asking accrediting agencies to do things they were never intended to do, like make sure colleges don't defraud students.
- Despite those flaws, most seemed less than eager to try to create a wholly different system to assure the quality of America's colleges and universities, because they see it as either difficult or undesirable.

Yet given Education Secretary Arne Duncan's <u>formal charge</u> to the newly reconstituted panel, which was distributed at its <u>first formal meeting</u> in December, most of the higher education and accreditation officials who attended the policy forum said they had little doubt that the panel is strongly inclined to recommend significant changes, rather than just ruminating about how well the system is working.

And if the early part of the meeting was short on specific ideas about meaningful changes the panel might suggest to Duncan, things heated up as the afternoon wore on. Perhaps not surprisingly, the most outside-the-box idea came from Kevin Carey of Education Sector, who is among the more innovative thinkers about higher education policy today.

In his presentation, Carey argued that accreditors lacked the expertise and capacity to assess the quality and legitimacy of complex for-profit higher education companies, as federal regulators -- with their growing concerns about commercial colleges -- have increasingly looked to the agencies to do. "The existing accreditation system was not designed to accommodate [large,

nationwide, publicly traded college companies], and it would be a mistake to try to bend and warp the present system to do so," Carey said.

Instead, "I would call on the accreditation community to work with for-profit colleges and policy makers to develop a new federal regulatory apparatus responsible for consumer protection and quality control in the for-profit sector," Carey said. "When Uncle Sam provides or guarantees 9 out of every 10 dollars -- or more -- that flow into the coffers of large private sector corporations, the federal government must play a far stronger role in managing that process than it does today."

Carey's proposal, which drew predictable pushback from the presidents of the University of Phoenix and Keiser University, who sit on the Education Department advisory panel, contained a second element that echoed arguments by several other speakers that accreditors focus far too much on setting minimum standards and too little on prodding colleges to be excellent, especially in ensuring that their students are learning.

He suggested that accrediting agencies apply two levels of scrutiny to the institutions and programs they review -- one ensuring that they meet a minimum level of financial stability and academic quality, and a second, tougher level of scrutiny using "strong, aspirational standards of knowledge, skills and progress that only the most successful institutions can claim."

Colleges would need to pass muster in the first review to gain the accreditor's stamp of approval to award federal financial aid to their students, Carey said. (In his proposed scenario, accreditors would remain gatekeepers for federal aid for nonprofit colleges.) The second review, he said, would allow accreditors to truly differentiate among institutions of varying quality based on a set of specific outcomes, rather than allowing all institutions to assert "monolithic accreditation status.... This would in many ways return accreditation to its core strength in peer-driven standard setting and start to free it from the role as the federal government's proxy guarantor of quality, a role for which it is increasingly ill-suited."

### **Differentiation and Separation**

While Carey's proposal was more specific and unconventional than most, he was far from alone in raising the theme that accreditors needed to better differentiate their roles and activities. There was widespread agreement among many speakers that the agencies have struggled to balance their two clear and often conflicting roles: the original one, in which groups of colleges set standards by which they voluntarily agree to judge one another's quality, and the "gatekeeping" role in which the federal government essentially subcontracts with the accreditors to gauge which institutions are of sufficient quality to award federal financial aid to their students.

"There is an uneasy tension between the historic purposes [of accreditation] and the gatekeeping functions it has assumed over the years," said Susan Hattan, a consultant for the National Association of Independent Colleges and Universities, who spoke on behalf of her group.

The latter arrangement, which was born in the 1950s, has led the federal government to look to accreditors as a primary tool for ensuring the quality and, increasingly, the integrity of colleges

and universities, and those accountability demands have led federal regulators -- when they are dissatisfied with the performance of higher education -- to push accreditors in ways that make many of them uncomfortable.

In recent years, for instance, the Education Department has pushed accreditors (in the process it uses to formally recognize the authority of accreditors to give colleges the federal seal of approval) to compel the colleges they review to better measure and report how successfully their students learn. That has led to complaints from accreditors and colleges alike that the government is "becoming more and more engaged in the day-to-day operation of accreditation and increasingly involved in judging how institutions are to be accredited," said Judith S. Eaton, president of the Council for Higher Education Accreditation.

The tension has prompted some critics, like Anne Neal of the American Council for Trustees and Alumni (and another member of the Education Department's advisory panel on accreditation), to <u>call for breaking the link</u> between the federal government and the accreditors, instead replacing it with tougher federal financial audits of colleges and greater transparency by institutions about their outcomes.

But while a few of the people who spoke at Thursday's meeting shared Neal's belief that accreditation is broken and in need of a complete overhaul -- Barmak Nassirian of the American Association of Collegiate Registrars and Admissions Officers described the accreditation system as a "racket" filled with self-dealing and too-low standards -- most of those who joined the day's parade of criticism urged the Education Department panel to proceed cautiously.

"Many well-intended actors, such as the honorable members of this panel, might be tempted to consider imposing an external accountability system that imposes [a common set of] standards" on colleges, said Richard Arum, the New York University sociologist whose recent book, *Academically Adrift*, has fed criticism that accreditors have enabled academic underperformance by many colleges and students. But "such a system would be ill-advised at this time," Arum argued.

David A. Longanecker, executive director of the Western Interstate Commission for Higher Education, shared Carey's view that "the pass/fail nature of a process in which everybody passes" undercuts the credibility of accreditation, and that accreditors needed to adopt a stronger set of outcome measures to better fulfill the "quality assurance" function that politicians are demanding that the agencies play.

But to those who might argue that that role would be better turned back to the federal government or to some party other than accreditors, Longanecker demurred. "Accreditation is still our best bet as the voluntary system that it is today," he said.

Even arguably the day's toughest critic of accreditation, Nassirian, agreed. "Just about the only worse way of doing things," he said, "would be to adopt governmental recognition as an alternative."

### — <u>Doug Lederman</u>

### Comments on Mend It, Don't End It

- Accreditation of What?
- Posted by sam nadler on February 4, 2011 at 8:45am EST
- At a university where I worked, some faculty of several departments (including faculty in my department) were allowing students to cheat in order to raise grades. The faculty allowed students to sign in on multiple choice computer tests (the only tests for the courses in many cases), take the tests, sign out and see the correct answers, and then take the tests again with the same questions. Graduate student running the labs were furious about this and it was well known. The students caught on quickly -- they signed in, took the test in about 30 seconds, copied the correct answers down, and took the test again, this time spending about 2 minutes taking it, and got 100.

When we had an accreditation review of our programs by the agency from Chicago, I brought about 1000 cards with me to an open university meeting; the card clearly showed the student patterns in taking the tests. I got up in the open meeting with the panel of accreditors and told the story to the panel; I asked them to do something to stop it. The immediate response, I remember it word-for-word: "We are only here to see if the state provides enough funds for the programs, not to investigate internal issues of quality." I was shocked; no wonder education is in trouble, and it is not totally the fault of bad training of students. There are serious ethical and quality problems that accrediting agencies should address. This is a serious scandal that needs to be corrected.

- Better to Mend Than Upend
- Posted by Howard E. Horton, Esq., President at New England College of Business and Finance on February 4, 2011 at 9:00am EST
- It would be far better to enhance the capacity of accrediting bodies to review the more complex financially structured colleges and universities (which include highly leveraged non-profit institutions) than to create "a new federal regulatory apparatus" to do so.

Accrediting bodies can build their expertise in this area through expert staff additions and by including 'special masters' on visiting teams.

The examination of financial structure, relates to an institution's financial resources, an area within the traditional scope of accreditation.

Similarly, the examination of consumer protection, relates to institutional integrity, again, a traditional component of accreditation.

Financial resources and institutional integrity are inextricably linked to other important components of accreditation, such as governance and academic program.

Bifurcating quality assurance between accrediting bodies and a new federal agency would only serve to segregate that which is not severable in assessing quality.

The federal government should focus on improving its own audit functions of Title 4 programs. Accrediting agencies should have the opportunity to upgrade their capacities to manage all other aspects of institutional review.

- Accreditation's Potemkin Village
- Posted by Glen S. McGhee, Dir., at Florida Higher Education Accountability Project on February 4, 2011 at 9:15am EST
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Accreditation is a Potemkin Village whose storefront facades are held in place by the schools themselves, depending on their willingness to uphold any given standard. The reason is that the Program Integrity amendments made in 1992 to the HEA were never implemented as bright-line standards, but delegated to accreditors -- who have, in turn -- delegated them back to the schools for enforcement.

This is a system of self-regulation guaranteed not to work. And it doesn't.

Walk down any street in Potemkin Village and look behind the crumbling facades. You will find the seeming solidity is that of a movie set, constructed to give the appearance of quality, but propped up from behind by nothing more than the schools' own good (or bad) intentions.

Desk-reviewers in the south don't even look at summer faculty credentials, when noncompliance is most likely, and the standards used vary. In fact, there are no standards, only "guidelines" and only a tiny fraction of faculty rosters are sampled for review, and then the school is forced to offer up a sacrificial adjunct or retiree in the name of educational quality.

The Title IV gatekeeping process fails to meet the fiduciary duty of care.

Proposals for differentiating reviews will run into the organizational limits that now exist: accrediting agencies are struggling to keep up with old and new demands. Without additional resources and material guidance regarding organizational form, as well as mass training and oversight, the end result would be just as uneven as it is now.

- rip van winkle
- Posted by tom abeles, editor at on the horizon on February 4, 2011 at 10:00am EST
- Post secondary institutions, particularly in the United States are just waking up to realize that their world has changed. The bright line that separates the secondary institutions from the post secondary is rapidly fading as:

a) the bar for employment has been raised so that it is expected that individuals will have another layer of education to be "work ready"

b)the economic model of HEI's is changing as the alternatives to obtain credits expands with college courses in high schools, community colleges that offer bachelors degree, and acceptance of credits from 3rd party providers, to name a few

c) As with user-pay in health care, students and their underwriters are becoming more concerned about the cost/return as opposed to the idea of a liberal education in a civil society (cf Robert Bates Graber's "Valuing Useless Knowledge" and other ululations) d)There is increasing pressure to collect credits expediently which follows closely with Arum's "Academically Adrift". To think that a university seeks accreditation with this and related problems, seems just short of intellectual arrogance.

What we have to realize is that the bright line has been moved to between the

baccalaureate and post baccalaureate programs and that the basic baccalaureate program needs to be better integrated with the secondary programs and perhaps should be accredited under similar standards used for secondary institutions or tiered. This would be more relevant for public sector institutions as opposed to selective private institutions.

Given the internet, the idea of separating the for-profits from the non-profits by geographic reach makes little sense in that many brick spaced institutions now operate globally as well as across state lines. Another anachronistic reminder that the system might be broken to a point where "all the kings horses...." It is time to bring accreditation into congruence with the reality of the current needs. It's too late for patches on an old jacket.

This is not the historic university. There has been considerable drift. Shifting ratios of tenured and adjunct faculty, students who commute and attend the institution, rising costs and increased focus on a "business model", shifting support from public money, and a host of other factors are dealt with by trying to stuff the "Pillsbury Dough Boy" into a corset. Accreditation can not change until the colleges are willing to confront their own demons. Until they can admit that they are not what they once were or appeared to be and deal with the problem, accreditation will be only a coat of paint.

Washington attracts associations, think tanks and lobby groups like flies to honey-Money and influence. The department of education has both. It gives money and the seekers want to make sure that it is allocated "properly" and with the least strings attached. Now that post secondary institutions are becoming the "job-ready" platform, the "Fed" is trying to figure out what they are buying and whether those who incur the debt can repay, excepting, up to the present, the liberal arts community, but emphasizing the STEM arena with preferential funding, based on a vision of the past extrapolated to the future in a world that is now flat. Perhaps there are better paths than trying to patch the current system.

- Stakeholders and Accountability
- Posted by mb on February 4, 2011 at 10:45am EST
- This line caught my attention: "That has led to complaints from accreditors and colleges alike that the government is 'becoming more and more engaged in the day-to-day operation of accreditation and increasingly involved in judging how institutions are to be accredited,' said Judith S. Eaton, president of the Council for Higher Education Accreditation."

I see the situation as similar to Wall Street bankers and insurance companies after they took bailout \$\$ from the Federal Government - if/when you take money from the public, the public becomes a major stakeholder and thus you become more accountable to the public, usually in proportion to the amount of funds you receive. Therefore, whether you like it or not, the public (via the government, Federal, State and local) \*must\* have a substantial seat at the table.

The other problem I've had with the accreditation system is the cozy "fox guarding the henhouse" model. I think that self-policing rarely works (we saw how well self-policing worked for the banking and insurance industries), not even in fields like medicine, so I

personally would like to see a system composed of professionals who come from elsewhere other than academia. Sure, having an academic adviser or two might be helpful, but I think that people from the business, legal and other professional communities are (at least) every bit as smart as professional academics, and likely would be a better choice for conducting unbiased evaluations and investigations vis-a-vis accreditation standards.

- Posted by RJW on February 4, 2011 at 11:45am EST
- Not mentioned in this well-written article was David Longanecker's comment about the 1992 HEA, which he states correctly relative to the large swath of education controlled by regional agencies when he notes: "A lot was done, but not much change occurred". What he overlooked was that the opposite was true for the national accreditors for the simple reason that they were directly, and deservedly, in the immediate target zone of scandals that actually make today's headlines on abuses look somewhat muted. The political clout of traditional higher education, however, was evident in the stillborn SPRE (State Postsecondary Review Entities) concept that five years later, wherein the subsequent HEA of 1997, they managed to officially kill it off, while boldly and effectively ignoring some other important requirements of 1992 amendments such as the then new Program Integrity standard for student achievement. The non-traditional, forprofit sector represented almost exclusively within the national accrediting agencies by comparison was under the ramped-up fear of major fraud and abuse exposes, implemented a fairly rigorous reinvention that included unannounced visits, quantitative and qualitative student outcome measures, and overall tighter standards and processes. Survival depended on it and the results offered significant changes. Nothing comparable was required of the traditional sector and, not surprisingly, 18 years later we are still trying to get them to come up with credible measures and practices for student achievement and some evidence that accreditation is not simply an oh so polite collegial club. Unfortunately the rising clout of the for-profit sector allowed it to slide backwards over the past ten years such that much of the earlier gain in credibility has seriously faded and now replaced by whining, alongside the traditional whiners, all claiming they are misunderstood and not appreciated for all they do for us. We need far higher expectations on results, which we all pay for at considerable expense.
- Keiser
- Posted by I.M. Just Noticing on February 4, 2011 at 1:30pm EST
- Interesting to read that Art Keiser is chiming in so readily on behalf of for-profits' unique status. Didn't Keiser University just convert to non-profit status?
- Ways to Change
- Posted by Alan Contreras, Oregon Office of Degree Authorization on February 4, 2011 at 2:15pm EST
- If accreditors really want the feds to leave them alone and develop governmental standards that the feds would enforce, it is easy to make this happen. All it takes is for one regional accreditor to decline to reapply for federal recognition. The feds can't make them apply, after all. Yet they do, so I think some of this roaring in the shrubbery is a greatly magnified pussycat.

Kevin Carey is always worth a listen. Why not ride his horse a little further and establish

a federally recognized accreditor that works ONLY with for-profit providers, and move all the for-profits under its jurisdiction? It could then be staffed with people who are knowledgeable about such complex entities.

- Where are the faculty? A call for one simple change...
- Posted by vfichera on February 4, 2011 at 8:15pm EST
- As one of the apparently few faculty members who have served on a regional accreditation visiting team, I suggest that the "expertise" that is needed to improve accreditation processes, for non-profits and for-profits alike, resides in expert faculty and not the administrators who staff and direct the visiting teams.

How many visiting teams are chaired by other than a college president or provost? And accreditation bodies grant unprecedented powers to the chair of the team in the final report, the pre-team visit cutting of pre-final "deals," etc.

The oft-reported "you-scratch-my-back-and-I'll-scratch-yours" game between the visiting team's chair and the applicant institution's top management is an obvious problem which compromises the entire endeavor. The abuses uncovered by the Inspector General of the Department of Education in for-profit accreditation reviews were precisely in areas of traditional, if not cut-and-dry, accreditation criteria (e.g., the consistent value of the credit hour) -- thus, belying the "need" for an alternate system and underscoring the mandate to impartially and honestly implement the one we have.

Suggesting that faculty be involved in the accreditation process on their home campuses is one thing -- and, by and large, it already occurs quite extensively. On the other hand, transfering the reins of accreditation management to distinguished faculty experts rather than administrators would likely be the single easiest change in the process which could yield the most immediately improved results.

- Raise your heads and look around
- Posted by J. W. Powell, Professor, Philosophy at Humboldt State University on February 5, 2011 at 11:15am EST
- There's a lot more happening in these comments than there apparently was in the panel. Alan Contreras and vfichera offer solutions. Get for-profit accreditation separate from the publics' accreditation, and recognize that the for-profits are for money, i.e., jobs, and so only address one part of what higher ed is for. The bigger problems are with the publics. What the for-profits offer is midway between a community college or junior-college degree and a B.A. (this goes for their MBAs as well), although the B.A. even in the publics presently keeps being eroded to become more like a vocational certificate. General education, critical thinking, experience and skills at handling big controversies including acquaintance with intellectual history and the best ideas humans have had (including, in the canon, their attacks against the canon and against provincialism), --all these are vanishing along with the vanishing of ambitious visions for higher ed before the onslaught of bookkeeping approaches to accountability. Ambitious faculty raised in intellectually wide-ranging disciplines will be crucial in maintaining higher ed in the face of the lightweights running the show now.
- Integrity?

- Posted by MIS Prof , any dept at public teaching university on February 6, 2011 at 1:15pm EST
- Sam, I had a similar experience at my institution. The team did have plenty of time to do homework beforehand, but the visit was short and rushed. An evening to meet with administrators, a day on the ground at the institution, and an evening meeting with industry/community supporters. There were no meetings with faculty in which administrators were not present (speaking up in the presence of administrators would have led to serious retaliation). The visiting team did not notice a lot of problems. We passed. I lost respect for the accrediting agency.

With respect to online programs (for-profit or otherwise), I don't see much effort to ensure integrity (to be able to honestly and accurately certify student learning). Who knows who is actually taking the courses, quizzes and exams, and who is actually doing the homework? Research shows us that cheating is rampant (online or face-to-face), but at least in face-to-face situations, the students must demonstrate learning to the faculty. They must take exams themselves without unauthorized resources, work exercises or write essays in class under the eyes of the faculty, and make presentations in which they must respond on the spot to faculty questions. Or at least it is easier to do these things in a face-to-face context.

I don't see any clamoring for authentication in online courses (say fingerprints, iris scan, or 3-d face recognition) or remote exam proctoring (say SoftwareSecure or the like), although some programs are adopting these technologies. And some online programs at least require the student to come to campus occasionally for exams or presentations to evaluate what that student has really learned. Most don't. You see, these measures make the online programs more expensive, which cuts into profit (or retained earnings which can be plowed into administrator salaries, sports, or other things at non-profits).

Lots of faculty are doing their best but they are coping with serious systemic problems. And they are rapidly losing control of the one power they had ... power over the curriculum and the teaching and learning process.

Accrediting agencies are in a position to do something about these problems, but they appear to be oriented toward protecting their own existence. If too many schools were put on review or lost their accreditation, many schools would pull out (and pull out their dues) and maybe go find a less challenging accreditor.

I believe a stronger commitment to integrity in every facet of what each of us do would move us in an upward spiral on all fronts, especially student learning outcomes.

### Community colleges accreditation reaffirmed BY <u>PAT FLYNN</u> FRIDAY, FEBRUARY 4, 2011 AT 2:16 P.M.

All three colleges in the <u>San Diego Community College District</u> have had their accreditation reaffirmed, although <u>Miramar College</u>'s reaffirmation came with a warning.

The <u>Accrediting Commission for Community and Junior Colleges</u>, <u>Western Association</u> of Schools is responsible for accrediting two-year schools in <u>California</u>, Hawaii and the <u>Pacific</u> <u>Basin</u>. Every six years, the organization sends a team of evaluators to campuses.

The San Diego Community College District's three colleges – City College, Mesa College and Miramar College – were evaluated in October. They were all notified Thursday that they retain their good standing with the organization.

Miramar College, however, was formally warned "to take action to solve excessive turnover in its administrative leadership."

The college is required to submit a report to the accrediting body by October of this year to address the criticism.

" 'Excessive' is a word they chose to use," said Brett Bell, vice president of administrative services at Miramar College. "I don't know that we would chose that word. There is always turnover in administration at <u>community colleges</u>."

The warning is the mildest form of sanction a college can receive from the accrediting commission. More serious failings can result in a school being put on probation or having its accreditation yanked.

Accreditation is crucial to ensuring that students' credits can be transferred and to the receipt of state and federal funding.

"We're thrilled that our colleges all made it through the process in such a wonderful fashion," said Constance Carroll, the district's chancellor. "In this day and age, it's not unusual to have some type of sanction, and a warning is the lightest. Miramar retains its accreditation. It just needs to take care of this issue."

## **Ripped From the Headlines Inside Higher Ed** February 4, 2011

ORLANDO -- A community college professor takes a group of 15 students in his international finance course on a three-week trip to Greece, where he studied as a graduate student and has many contacts. The day after the students arrive in Athens after their long journey, worker protests break out in opposition to austerity measures imposed on the Greek government by its European partners. The students, given lots of independence, have front-row seats to the excitement.

Several days later, as the protests intensify, one of the students gets caught in a melee and ends up hospitalized with a head injury. The next day, with the country virtually shut down by a general strike and violent protests flaring throughout the city, the Greek government contemplates a state of emergency and U.S. embassy officials debate whether to go beyond their recommendation that Americans avoid going anywhere near the demonstration, to recommend that they leave the country. The fast-changing developments pose constant challenges and dilemmas for the instructor, who has limited to no experience in taking students abroad.

That scenario served as the centerpiece of a session held this week at the <u>Community College</u> <u>Conference on Legal Issues here.</u> The presenters, Ann Franke of Wise Results and two leaders of the higher education practice at <u>Arthur J. Gallagher & Co.</u>, an insurance brokerage and risk management firm, have no special powers to see the future. But the long-planned session at this conference, which is put on by Valencia Community College, took on added urgency given how closely the case study at its core resembled the events unfolding half a world away.

The eerie parallels to the violent protests and evacuations of American students and others from Cairo seemed to drive home for many of the campus lawyers and student affairs officials in the audience just how vulnerable their colleges can be when students who are under the institutions' aegis venture into unpredictable parts of the world. (Then again, one might ask what parts of the world *are* wholly predictable these days.)

"If you just say 'Egypt' instead of 'Greece,' this all sounds very familiar, doesn't it?" asked John McLaughlin, managing director for higher education at Arthur J. Gallagher. "If we were in Cairo right now, we would be in a situation not knowing which way to turn," added John E. Watson, executive director of the Arthur J. Gallagher higher ed practice.

The purpose of the session was to walk participants through a hypothetical scenario of realitybased facts to help them think through the issues raised by a situation -- rife with potential pitfalls -- that could unfold at any of their campuses. But the resonance with current events seemed to raise the stakes of virtually every decision made before and during the hypothetical faculty-led trip. The trip is approved with just a single campus official, the professor/leader, accompanying the 15 students. What happens, McLaughlin wondered, if a student misbehaves or, as happens in the hypothetical case, gets seriously injured? Does the sole professor or administrator go with the injured student, or stay with the larger group?

And what happens, an audience member asked, "if the faculty member gets sick or something happens to them?" Franke acknowledged that it may be "unrealistic" for community colleges and other financially strapped institutions to send two administrators on a single study abroad trip. Some colleges have dealt with that problem, she said, by having "someone on the campus with a passport who is able to go at the drop of a hat as a backup" if a study abroad leader gets sick or otherwise sidelined.

Other warning signs emerged as the audience discussed the scenario. At no point does it appear that the community college in question, or the faculty member leading the trip, alerted the U.S. embassy in Greece or the State Department that the group of Americans would be in the country. That can cause problems when a situation blows up as it did in the Greece scenario -- and as it is now in Cairo, said Franke.

The hypothetical case is further complicated, McLaughlin noted, by the fact that one of the students on the trip is *not* an American. Many campuses, he said, are unlikely to have thought through how they would handle international students if a U.S. embassy urges all Americans to leave a country.

And that idea -- that institutions have to try to expect the unpredictable, and to do everything possible to ensure that the people they entrust to guide their students into uncertain lands are adequately prepared -- was the fundamental point of the session here, said Franke.

"We appreciate that there may not be right answers," she told the group. "But if you think through the questions raised by this scenario and others," she said, institutions are more likely to be ready when situations like the one in Cairo erupt.

#### — <u>Doug Lederman</u>

# For the Jobless, Community College Offers a Safety Net

# The Chronicle of Higher Education

February 6, 2011

By Josh Keller

Alley Alvarez didn't want to go to college, and her parents didn't want her to go either. They told her she should focus on earning money and taking care of her 3-year-old son.

But after Ms. Alvarez quit a job cleaning houses last summer, she couldn't find another one. Her social worker told her that in order to stay on welfare, her only other option was to enroll in the local community college.

"I really wanted to work and get more money so I could move out of my parents' place, but it didn't work out," says Ms. Alvarez, 19, who started here at Columbia College last fall.

The recession has driven low-income young people who would otherwise be working into college. They often need remedial training in writing and math, but more urgently, many students also rely on college as a social safety net.

Visits to Columbia College nurses and psychiatrists have tripled during the past four years. A food bank is expected to double in size this semester to serve 150 students. A day-care center on campus has a long waiting list. Without those services, college work would be impossible for many here.

At 7:30 most mornings, Ms. Alvarez arrives at Columbia, a stunning campus only 25 miles from Yosemite National Park that features redwood trees, geese, and—every so often—a mountain lion. She drops off her son, Julian, at the day-care center and walks to her morning class.

There are no other kids on Julian's block, so spending the day at Columbia is his chance to play with kids his own age, she says. Besides, if not for the day-care facility, which is free to eligible students and the public, "I'd have to find somewhere where I'd have to pay," she says. "I'd probably not be able to afford that, not yet."

When she picks Julian up in the afternoon after her classes, he asks her, "Did you take notes, Mommy?"

### Afraid to Ask Questions

Ms. Alvarez can be shy, and for a long time people have been telling her to ask more questions. "In elementary school, I was scared to ask," she says. "In high school, I was scared to ask."

She didn't say much in the first few weeks of college, and she didn't do her homework, either. Her parents were pressing her to drop out, and she had heard in high school that college professors didn't want to speak to their students, just lecture at them. But something changed last fall in a 20-person class in the First-Semester Experience program. The class, "College Survival," teaches basic social and organizational skills—time management, taking notes, working in groups—to students at a high risk of dropping out.

"Am I allowed to ask you questions if I don't understand anything?" she remembers asking a few weeks into the course. The instructor said yes. Ms. Alvarez began feeling more comfortable asking anytime she didn't know what was going on—perhaps too many questions, she says. "I've been not so scared at asking, because I don't want to fail," she says.

For the moment, Ms. Alvarez has given up her goal of moving out of her parents' house. But her grades have improved this semester, and she now intends to transfer to the University of California at Merced and become an ultrasound technician. "I'm not going to let anybody get me down," she says.

Many students arrive at college doubting their own abilities, even feeling like they don't have a right to be on campus. If the highest-risk students are not able to find the right help to control their self-doubts, they are likely to drop out.

Some seek help from counselors and other health officials. Laureen Campana, Columbia's nurse, runs a bustling walk-in health center on campus, where she handles or refers anything from a sore throat to depression to chronic health conditions.

"What I keep finding is that I get pulled down to the bottom: They're hungry, they're cold, they're worried," Ms. Campana says. "I can't really get to the self-actualization stuff when I have to take care of really basic needs."

When Columbia opened in 1968, its health services existed mostly to try to stanch the spread of sexually transmitted diseases. Services have since grown steadily in size and scope, surviving on a mandatory per-semester health fee, now \$17 per student. In recent years, the college has hired psychiatrists and an additional staff member in the nurse's office.

Most colleges have seen similar increases in demand. But Columbia's rural surroundings have made on-campus services of all kinds more critical. The campus draws its 4,400 students from roughly 2,500 square miles of sparsely populated outposts and former Gold Rush towns in the Sierra Nevada foothills.

Some students drive an hour or more to get to campus. Others rely on a bus that arrives on campus once in the morning, once in the afternoon, and once at night.

It can be counterproductive to refer students who spend their day on campus to a clinic in the next county, Ms. Campana says."They're just not going to go."

In any case, the public safety net is full of holes. Surrounding Tuolumne County has a 14-percent unemployment rate and, like most rural areas in the West, a high suicide rate. College officials used to be able to refer students with potential learning disabilities to a public counselor for diagnosis. But the county dropped that position three years ago. Such students are now typically referred to Ms. Campana, or to an academic tutor.

### A Web of Support

Julie Peavey first came to orientation at Columbia College in 2008, about 17 years after she dropped out of the ninth grade. She couldn't handle it. She listened to the entrance requirements, got overwhelmed, and slipped out.

The second time she returned, last fall, wasn't much better. But she had quit her customer-service job at a free-range turkey ranch and had promised herself she would return to school. "What's the next best thing besides going to get another dead-end job? Columbia College," Ms. Peavey remembers thinking.

She ended up in a different section of the same First-Semester Experience course that Alley Alvarez was taking. Looking around the room at the other students—young women, mainly, with a smattering of older men—she was "scared to death," she says.

She learned she would be writing 20,000 words in her English class, which seemed impossible. Halfway through the semester, she was assigned a peer tutor half her age.

"I'm just going to have to suck it up and have this 17-year-old girl read my paper and tell me what to do," Ms. Peavey, 34, remembers thinking. "That would bother some people."

But other services at Columbia helped her get through the first, most difficult stretch. She saved money by signing up for the gym on campus. She used the food bank when she needed it. Sometimes, when she got stressed out and felt like she wanted to drop out, she would come into Ms. Campana's office and take a nap. She also visited the psychiatrist.

"It's here, and it's not like I'm gonna pay a psychiatrist \$80 to \$100 an hour," she says. Having somebody to talk to made it easier to stay in college. "It's better than popping a Xanax," she says.

She had other support. She had the same schedule as her best friend, and they made a pact—still unbroken—never to miss a class. The instructor in "College Survival," Alicia Kolstad, helped her feel comfortable. "I don't remember anybody ever talking to me about college," she says. "Right now, my life, I feel like I'm making the right decisions."

Last month, Ms. Peavey visited the "College Survival" class taught by her former instructor. The mix of students, only two weeks into college, was like the one she remembered: mostly young women, and a few men in their 40s or 50s.

As Ms. Peavey watched, groups of students stood nervously in front of the class and gave presentations on how to set a schedule and how to avoid procrastinating. Most of the students got through all right; a few got flustered and ended their talks midsentence.

When the students sat down, Ms. Kolstad, the instructor, asked them to volunteer what their studying goal was.

A young woman raised her hand; her goal was that she wanted to study. Good, Ms. Kolstad said. Another woman raised her hand and said that she *would* study. Better, Ms. Kolstad said. An

older man jumped in to say that he *would* study for *two hours* the next day. Much better, Ms. Kolstad said.

The young woman who responded first looked lost and raised her hand again. "Was my answer wrong?" she asked.

It can be difficult to measure education. But as Ms. Peavey watched the class, the evidence of her own progress was on her face, in a sustained smile. She chuckled quietly. Those questions were the same ones she had asked.

## 'The Heart of Higher Education' Inside Higher Ed February 8, 2011

While many college faculty members and administrators are focused on budget cuts or research agendas, Parker J. Palmer and Arthur Zajonc have issued a call to return to what they think matters the most: teaching, and teaching in an "integrative" way that moves past individual disciplines. Their appeal comes in a new book, <u>*The Heart of Higher Education: A Call to Renewal*</u> (Jossey-Bass). Palmer is best known for his book *The Courage to Teach*. Zajonc is professor of physics at Amherst College and director of the academic program of the Center for Contemplative Mind in Society. Zajonc and Palmer responded to questions about their new book:

# **Q:** What are the major problems in higher education that you hope your approach will alleviate?

A: While every college or university has its own unique set of problems, if we step back and ask what are the larger, fundamental shortcomings of higher education, we see a small but potent set of issues that reflect neglect or a failure of courage. Derek Bok describes, for example, our long "neglect of purposes." We fail to ask, what are the true aims of higher education? Harry Lewis and Anthony Kronman lament the "soulless university" that today neglects its important task of engaging students concerning the purpose and meaning of their lives, or in Kronman's words, "what life is for." Helen and Alexander Astin document the hopes and expectations of students, over two-thirds of whom hope that their undergraduate education will offer them the occasion to develop personal values, self-understanding, and "to find purpose in my life." We neglect these educational tasks -- which form the heart of higher education -- because of an impoverished and outdated view of reality (including ourselves), a truncated notion of knowing and learning, and a cost-benefit approach to ethics. In our book we seek to redress these failures in higher education not by prescribing a universal curriculum or set of pedagogical techniques; rather we offer a philosophical infrastructure for a coherent, integrative college education. With this as the larger context, professors, administrators, trustees, and students can convene spirited conversations concerning the particular local issues of their educational community. In this way we hope to marry the unique set of problems an institution faces with the larger principles and aims of a comprehensive, integrative education that does not shy away from the heart of the enterprise.

# Q: Many in higher education today feel overwhelmed by dealing with the impact of budget cuts. Why should they focus on this agenda?

A: The change strategy that we advocate is drawn from community organizing. It requires little or no extra funding because the profession from which it comes almost always works in settings where there is little financial capital to fuel change — so community organizers learn to fuel change with human and social capital. The strategy we spell out in the book harnesses the enthusiasm, creativity, and common concerns that faculty and administrators have for the students they serve. In a time of budget cuts, our academic communities can still gather for collegial conversation and pedagogical innovation. In fact, times of crisis and austerity also offer opportunities when we are willing to ask hard questions and to set priorities concerning what is of true importance. Our book offers an overarching framework within which such conversations

can take place, one that supports a coherent, integrative development of higher education. We also give guidance for how collegial conversations can be initiated and sustained on campus. In this way, we offer both a method and a philosophical infrastructure for holding meaningful dialogue about the central educational questions we face today in our colleges and universities.

### Q: What is "integrative education" and how can it be promoted?

A: Our world is multidimensional; so is higher education. Every disciplinary area is like an axis or road through the landscape of life. But each captures only a fragment of the whole, offers only a partial picture of the full reality and so lacks *breadth*. At the first level, integrative education combines mastery of a single discipline with a vibrant engagement with other disciplines, near and far. Too often we seek to redress lack of *breadth* by the simple juxtaposition of courses through a distribution requirement. No real integration arises in this way. Other pedagogical means are required that bring the richness of learning into the hearts and minds of students and faculty. But this level of integration redresses only the *breadth* dimension of education, and fails to treat the heights and depths. Integrative education cannot shy away from questions of meaning, purpose and values. One method of addressing these is through the wide range of contemplative methods of learning that are being developed by faculty across the disciplines and in co-curricular contexts as well. Finally, all learning is situated, we live our lives within community and we should not neglect our responsibilities it. To this end, we cannot neglect the cultivation of the fundamental human capacities for compassion and altruistic action. These too need to be part of an integrative education. In this way we achieve a meaningful integration of the breadth of learning, with a serious and intimate exploration of our highest aspirations, never forgetting the suffering around us that calls for deepening our human relationships and good work within our diverse communities.

# Q: In several places in the book, you criticize various kinds of boundaries that are well guarded in the academy. Why has higher education embraced so many divisions and how can they be eliminated?

**A:** We can perhaps point to Francis Bacon's bold 17th century efforts at the reclassification of knowledge as the dawn of its modern fragmentation. This way of dividing our world was further refined and codified by the Enlightenment figures Diderot and D'Alembert in their encyclopedia project. Each of the departments of knowledge they defined became the fiefdom of a community of scholars who competed for limited resources and prestige. In our view, while we acknowledge the power of specialization, the deconstruction of the world and of ourselves has gone too far. For every step we make toward specialization and fragmentation, we need simultaneously to take steps toward integration and synthesis. One model for overcoming fragmentation is that of Einstein's tiny Olympia Academy. It was a diverse, three-person, learning community that read widely, argued vigorously, hiked and speculated together for the three years prior to 1905, Einstein's *annus mirabilis*, when he published four landmark papers. In order to redress the fragmentation of knowledge we need social forms and practices that bring us together across disciplines, their methods as well as content. The world is an interconnected whole; our learning and praxis should reflect the reality of that interconnectedness.

# **Q:** What are some current efforts at colleges that you particularly admire for their commitment to the ideas you discuss?

A: Throughout the book, and especially in the book's appendix, we give many examples of significant attempts to make higher education more integrative in one way or another. One mentioned in the book is the fast growing appreciation of what has come to be called "contemplative pedagogy." It makes extensive use of secular contemplative exercises both for general capacity building (such as strengthening attention or emotional balance), as well as subject-oriented practices designed for a particular class. For example, the contemplative art of "beholding" in art history or compassion practices that shift game theoretical outcomes in an economics class are both being taught at Amherst College. Contemplation offers a wonderful method for deep engagement with class material, as well as a means of taking up questions of meaning, purpose, and values. (For detail see the Association for Contemplative Mind in Higher Education.) A second example, not in the book, is the University of Michigan's Center for Research on Learning and Teaching (CRLT). Like similar teaching and learning centers across the country, the CRLT has provided both resources and encouragement for integrative education. Its presence on campus since 1962 has vielded many valuable programs. The CRLT Players Theatre Program is one example. This program "develops and performs sketches that engage faculty and graduate students in discussions of multicultural teaching and learning and institutional climate. Sketches are based on research concerning the experiences of underrepresented students and faculty, such as women faculty and students in science and engineering, students of color, and students with disabilities." This program simultaneously employs and encourages the use of multiple modes of knowing, and has been very effective in advancing the integrative education agenda at a large research-oriented university.

- Scott Jaschik

# AM Alert: Who is (and isn't) running in CD 36

## The Sacramento Bee

News that Democratic Rep. **Jane Harman** will give up her **36th Congressional District** seat to become president of a Washington think tank sparked speculation over who will run for the Los Angeles County coastal district she has held for much of the last two decades.

Los Angeles City Councilwoman **Janice Hahn** <u>didn't waste any time</u> jumping in the race. The San Pedro Democrat announced her bid with an afternoon press release and is up and running with a revamped version of the website from her failed lieutenant governor campaign.

Secretary of State **Debra Bowen**, a Democrat who represented an overlapping state legislative district for more than a decade, is <u>"very, very seriously considering"</u> a run of her own.

California Democratic Party Chair **John Burton** added fuel to the Bowen candidacy chatter, calling the elections chief the "only candidate that has officially informed the California Democratic Party that they are running in the 36th congressional district" in an e-mail blast late yesterday.

And Harman's past Democratic primary challenger **Marcy Winograd**, whose liberal backing and antiwar stance helped her win nearly 40 percent of the vote in the 2010 primary, told POLITICO she is also thinking about another run.

**Mattie Fein,** the Republican who ran against Harman in November, couldn't be reached for comment Monday, though California Republican Party Chairman **Ron Nehring's** <u>Twitter stream</u> suggests the party will make a hard run at the seat

As for who won't throw a hat in the ring? Former Democratic Assemblyman **Ted Lieu**, the frontrunner in next week's **28th Senate District** special election, blasted out a statement dismissing chatter he could seek a ticket to Congress next.

"I am not nor will I be running for the seat," Lieu said. "I am focused one hundred and ten percent on turning out voters for next Tuesday's special election for State Senate and getting to work as soon as possible on balancing California's budget and creating jobs."

Controller **John Chiang**, who, like Bowen, is termed out in 2014 and lives in the district was mentioned as a possible contender. But his consultant tells Capitol Alert that it doesn't look like the Torrance Democrat will run for the seat.

Budget hearings are scheduled to consider under the dome today, though legislators from both parties will spend at least part of the day off-site at their respective policy summits.

The Republican caucuses in both houses <u>kick off a joint, two-day policy summit</u> at the California Farm Bureau's headquarters. Gov. **Jerry Brown**, former Schwarzenegger Finance Director **Mike Genest** and longtime Assembly GOP budget consultant **Peter Schaafsma** are expected to address the lawmakers.

Assembly Democrats are also scheduled to meet for an off-site session to discuss the budget and other policy matters ahead, though a location and speaker line-up had not been announced late Monday.

# San Jose/Evergreen Community College District ordered to fix problems or lose accreditation

## **Contra Costa Times**

By Lisa Krieger lkrieger@mercurynews.com Posted: 02/07/2011

The two campuses of the San Jose Evergreen Community College District have been warned to fix financial, planning, evaluation and governance issues within two years, or lose accreditation.

San Jose City College has been placed on probation and Evergreen Valley College received a warning, according to a Monday announcement by the Accrediting Commission for Community and Junior Colleges, authorized by the federal Department of Education.

Both colleges were faulted for deficiencies in planning, student evaluation and governance.

The sanctions at the colleges, which together enroll more than 20,000 students, mean that schools must make improvements, file a report and be subject to a visit by commission officials. The schools maintain their accreditation during the two-year period.

If they lose accreditation -- a rare and drastic step suffered only by the troubled Compton College in the past decade -- their courses would no longer be transferable, and enrollment would suffer.

"It galvanizes the colleges to address the issues, and get the work done," said Jack Pond, vice president of team operations at the Accrediting Commission.

Although San Jose City College was the only school to land on the new probation list, five other schools are already on probation -- and even more, including Evergreen, face warnings. Evergreen was also cited in 2004, but because it has made significant progress, it was given more time to comply.

"Unfortunately, schools go off and on, off and on, the list," said Pond.

New presidents

The colleges and the district have already started working on the recommendations, district spokeswoman Monica Gomez said. San Jose City College said it wants to be in compliance with all the commission's standards by Oct. 15, when it files its report, so it can be removed from probation.

A new president -- Barbara Kavalier -- was selected in January at San Jose City College. An interim president -- Marilyn Brock -- has been picked for Evergreen Valley College.

"Both presidents have led multiple colleges successfully through the accreditation process," said Rita Cepeda, who took over as chancellor for the district in July. "I have great confidence that they will provide the leadership necessary to assist our colleges with the undertaking of accreditation follow up."

The news comes at a tough time for the district. Under Gov. Jerry Brown's proposed budget cuts, it faces a funding reduction of almost \$3.5 million, with each school's share about \$1.7 million. If voters fail to approve a tax extension in June, the reductions could double.

The San Jose Evergreen Community College District became mired in controversy last year when an independent investigation of former Chancellor Rosa Perez concluded that she may have violated conflict-of-interest laws by buying a house and sharing bills with her partner, Bayinaah Jones, whom she supervised.

It also found that Perez violated some district policies and that her travel -- 39 domestic and international trips during a four-year period -- was excessive and "not a cost-effective use of the district funds." A civil grand jury report in 2009 arrived at similar conclusions, but the district board rejected its recommendations, saying that on-the-job travel and conference costs were an appropriate expenditure of public funds.

#### Must make changes

Among a dozen or so deficiencies cited in a Jan. 31 letter from the accrediting commission, the colleges were told to make changes to ensure financial solvency. Additionally, the district's board of trustees was told to establish a climate of trust and respect with Cepada, and allow the chancellor to fully exercise her authority. Also, the schools need to better assess student learning outcomes.

Obtaining and keeping accreditation is voluntary for colleges. The status is intended to assure the quality of an institution and encourage improvement.

But it is important because many educational institutions recognize transfer credits only from regionally accredited institutions, according to the accrediting commission.

"We were keenly aware of the challenges we faced going into this accreditation visit," said Ron Lind, president of the district's board of trustees. "One of the key reasons we selected Dr. Cepeda as our new chancellor was her track record of success in turning difficult situations around. Her reputation for transparency, her 30-year experience with California Community Colleges and her 'no-nonsense' but humane approach to managing problems gave us added confidence that she would be able to steer our district out of turbulent waters better than any other candidate."

# Faculty Union Secretary Who Criticized Pay-Raise Bill Is Asked to Step Down

# The Chronicle of Higher Education

February 8, 2011

### By Audrey Williams June

In a dispute that reflects the tension that can exist between the interests of adjuncts and full-time professors in the same union, a part-time instructor of English in Washington state who testified against a bill backed by his faculty union has been asked by two fellow union officers to step down as the group's secretary.

The instructor, Jack Longmate, who teaches at Olympic College, spoke out last week against a bill being debated in the Washington State Legislature that calls for regular allocations of state funds to support pay increases that reward faculty members at two-year colleges for longevity in the classroom, earning an advanced degree, and other achievements. The money is available only through special appropriations now.

Among the ways the bill falls short, Mr. Longmate said, is that it doesn't explicitly establish a system for part-timers to receive such increases.

Mr. Longmate, a veteran activist for adjunct professors, told the lawmakers of his membership in Olympic College's Association for Higher Education but said he was not speaking on behalf of the union, which represents both full-time and part-time faculty members at the college. His opposition to the bill, he said, was as a member of the Washington Part-Time Faculty Association, a group that lobbies for legislation to improve adjuncts' working conditions.

### 'A Separatist Position'

Chip Barker, a full-time psychology professor and chief negotiator for the Olympic College union, said in an e-mail to Mr. Longmate and the union's members on Friday that he respects Mr. Longmate's right to "take a separatist position on policy," but that it was wrong to "be dishonest by using your position with the union to seek a platform for expression of those ideas." Mr. Barker wrote that if Mr. Longmate didn't resign as secretary of the union, which is affiliated with the National Education Association, he would call for a no-confidence vote.

The union's president, Ted Baldwin, a full-time professor of chemistry, also wrote an e-mail to members, saying he thought Mr. Longmate should resign if he "wants to continue to take positions that undercut the position of the union."

Mr. Longmate, who said he was exercising his First Amendment rights of free speech and freedom of assembly, said he didn't plan to step down.

The dispute within the Olympic College union underscores the divisions that can occur within mixed unions across the country, where the interests of adjuncts typically differ from the

interests of full-time professors. In such cases, some adjuncts have long argued that the interests of part-time faculty get short shrift because their tenured and tenure-track colleagues tend to be the most active and most powerful union members.

At the same time, various efforts in recent years by part-time faculty members to form a national independent adjunct union have not been successful.

In an e-mail to the union's members, Mr. Longmate said that his testimony was "aimed at the best interests of our state's faculty" and that he's open to talking about a way to amend the state bill so that it meets the needs of adjuncts, too.

# **Community-College Students Say They Struggle to Get Into Needed Classes**

# The Chronicle of Higher Education

February 9, 2011

### By Elyse Ashburn

From students' perspective, community colleges are no longer able to offer the access to an education that they have long promised, says a report released on Wednesday.

One in five community-college students had a difficult time getting into at least one course that they needed in fall 2010, and almost a third could not get into a class that they wanted, according to the national survey, commissioned by the Pearson Foundation. Hispanic students were particularly affected, with 55 percent saying they could not enroll in a class they wanted because it was already full.

About 28 percent of students who took placement tests said they could not enroll in all of the recommended classes.

The situation may only grow worse, as two-year colleges have warned, amid repeated budget cuts and increased demand from a financially needy population. State community-college directors have predicted that their states' contributions will continue to fall even as enrollment rises. A budget proposal in Texas, for example, threatens to deny any funds to four community colleges. In other states, including Iowa and South Carolina, community colleges are now getting more money from tuition than from state contributions.

The national "Community College Student Survey" is new, so it's unclear whether students are having a harder time getting classes than in the past. But it's clear that many are feeling squeezed out.

About 1,430 U.S. residents between the ages of 18 and 59 were interviewed for the "Community College Student Survey" from September 27 to November 14. Respondents had to have pursued at least one community-college course for credit between August 1 and the survey's completion.

In addition to crowded classes, the report said many struggling students can't get help or don't seek it out. About 5 percent of students had dropped out during the first few weeks of the semester, and 10 percent had seriously considered doing so. Students working full time or in remedial courses were most likely to have dropped out or seriously thought about it.

Of the students who considered dropping out, 20 percent said they could not get the help they needed. Almost three-quarters of those who did drop out had not discussed their intentions with instructors or advisers.

The survey, which also explored students' thoughts about online education and interactions with professors, is available at the Pearson Foundation's Web site.

# Vitality City experts to hold discussion at El Camino

# **Daily Breeze**

By Melissa Evans Staff Writer Posted: 02/09/2011

Experts with Vitality City, a health-improvement initiative coming to the Beach Cities, will be at El Camino College today to discuss ways to make the area more bikable and walkable, among other topics.

National expert Dan Burden will discuss how the strategies of Healthways-Blue Zones will be used to encourage more exercise in the local area.

The company, which helps businesses reduce their health care costs, has enlisted help from national media, pollsters and researchers to improve the health of residents in Redondo Beach, Hermosa Beach and Manhattan Beach over the next three years.

The talk will be from 6 to 9:30 p.m. today in the theater at El Camino College, 16007 Crenshaw Blvd. Cost is \$18.

# Privately, Public Employees See Cuts as Inevitable

NY Times

UNION, N.J. — The meeting of the public-workers' union had ended, the rallying cries about hostile lawmakers and ominous contract deadlines had given way to a buffet dinner.

Sitting down to eat, Andrea Douglas, a claims representative for the State of New Jersey for the past 10 years, quietly conceded what few union leaders say aloud: Government workers have to give up some of their benefits. "I'm a realist," Ms. Douglas said. "The private sector is looking at us, and we do look good. I know we'll have to give. Everybody else is asking, 'How am I going to pay rent?"

Around the table, fellow workers stared, taken aback by her talk of concessions.

"You don't see it coming?" she said to them. "We're going to have to give. I'm more than willing to pay more to support my benefits. But you can't ask me to give so much that I can't afford to live. At least negotiate with me on that."

Public-sector workers these days are under assault, their hard-won salaries and benefits depicted as drains on the body politic. Labor unions have responded angrily to that sort of talk, pledging to fight to keep what is theirs.

But in interviews and discussions among themselves, public employees express more complicated feelings. The police officers, teachers and workers are struggling with anger and fear. But many also acknowledge that the world they have known and the assumptions they have built their lives on are crumbling before their eyes.

Nowhere has the environment for public workers been more stinging than in New Jersey, where Gov. <u>Chris Christie has earned folk-hero status</u> for his aggressive antiunion posture. And the public has responded: a <u>Quinnipiac University poll</u> released on Thursday showed voters here favored by wide margins wage freezes, furloughs and pension cuts for those on the state payroll.

To be sure, unions have won many victories over the years: current state workers contribute only 1.5 percent of their pay for health care, for example. Mr. Christie wants them to pay 30 percent of the cost of their insurance.

Straining the conversations among neighbors and in bars, breakfast joints and bowling alleys is the growing rift between government workers and their brethren in the building trades: underemployed laborers, carpenters, ironworkers and others who no longer see the powerful publicsector unions as allies.

"It goes back to the idea of divide and conquer," said Calvin McCullars, a disability-claims processor for 22 years. "A few years ago, nobody really cared about state workers. And now, since the economy went bad, other people are getting laid off, and everybody's attacking us like we're doing something wrong. We're getting picked on, like a scapegoat."

William Elliott, a state revenue agent, said people seemed to have forgotten that Wall Street greed and deregulation caused the financial meltdown, not working people. "I feel like the public

is being played," he said. "I remember hearing someone say, 'Why waste a perfect crisis to advance your cause?' "

As others filtered out into the icy night, Naomi Monroe, a principal clerk for the Board of Nursing, lingered. She said she was eligible to retire but recently learned that she needed to work another five years to be able to live on her pension.

"The way things are going now, I'll probably have to look for another job," Ms. Monroe said. "I keep praying they'll lay me off, because I'll make more on unemployment than working, and then at least I can go to school to learn something new."

Thanks to earlier cuts, people calling her office sometimes have to be put on hold, she said, and at least two or three erupt each day over the delay. "They're yelling and screaming about how lazy public workers are," she said. "When I came here, I had hypertension. I've been carried out by ambulance before. It's so stressful."

A few miles from the State House at JoJo's Tavern in Hamilton, N.J., an always-crowded gathering place, the pizza is thin-crusted but the atmosphere is thick with griping and dread.

Robert Haupt, a retired electrician, was a member of a union, but he has issues with state workers. "I object to them squawking about getting the day off after Thanksgiving with pay," he said, referring to a perk the governor tried but failed to revoke. "They can bank sick days to the point where they can leave work two years ahead of time. I never had that privilege. If I didn't get work, I didn't get paid."

But across the bar, Tim Connery, 59, a middle-school music teacher, shared his own fears for the future with Wayne Lonabaugh, a retired colleague. Mr. Lonabaugh remembered the calculations he made starting out.

"I only made \$4,200 a year, but older people said, the pension is the big thing," Mr. Lonabaugh said. "So I had two jobs. I worked in a cement plant. But I got my pension."

"I got 38 years in," Mr. Connery said softly over his drink. "But everything's up in the air. They're taking 10 percent out of the principal every year to pay existing retirees. I'm worried that it won't be there for me."

The two said that they had always accepted earning less than they might have made in another job, <u>partly because the benefits were so good</u>. Mr. Lonabaugh, who taught math and science for 35 years, now enjoys free health insurance. "Twenty-five years ago, a Democrat told me, 'You'll never get free health for retirees, because it would bankrupt the state,'" Mr. Lonabaugh, a Republican, said with a slightly rueful smile. "And we got it. And he was right."

George Dzurkoc, a detective who leads the police officers' union in Trenton, was at the next bar stool with his fiancée, talking about his struggles to calm his fellow officers' anxieties. "It's horrible," he said. "You have people's lives hanging in the balance, and you can't give them answers. They ask me every day: 'Are they laying us off?' "

Mr. Dzurkoc did not take issue with the governor's <u>measure that caps property taxes</u>, but said there were better ways to cut costs. "Do we need two-day-a-week garbage pickup in the

wintertime?" he said. "Do we need 500-plus school districts and superintendents? The problem is no one wants to give up their own fieldoms."

Down the block, where retirees gather at Fred & Pete's delicatessen, the easy banter now gives way to serious concerns.

"Teachers are being downgraded," said Joan Schutts, who gave up her kindergarten class eight years ago. "My daughter's a middle-school teacher now, and she's hearing things from people. Even from children: 'You're making too much money.'"

Mrs. Schutts's husband, Richard, a retired utility worker, said that politicians who took fiscal shortcuts like <u>skipping payments into New Jersey's pension system</u> created the crisis.

"And nobody wants the solution to come out of their pocket," he said. "It's that simple."

"I don't feel that way," said their friend Bettie Herzstein, who retired from teaching elementary school in 2004. "Do it to me, but do it evenly to everybody."

Ms. Herzstein said she was willing to pay for part of her health care. "I think that's only fair. But somebody has to do something to the medical profession, too," she said. "My husband and I were just recently in the hospital. One test, just for the doctor to read the test, was \$2,400. And my bill for two weeks in the hospital was \$100,000." Her share of that? "Not a penny," she said. "Thank God for the teachers' union."

# Daniel Borenstein: Stop pushing public pension debt onto our kids

# **Contra Costa Times**

By Daniel Borenstein Staff columnist Posted: 02/12/2011

Imagine going out for a nice dinner and charging the tab to your home mortgage.

You wouldn't do that, would you? After all, you already ate the steak. It doesn't have a long-term benefit like your house does. So you certainly wouldn't want to be paying for the meal 30 years from now.

Yet that's what we're doing with a large chunk of public employee pension costs. We've already "consumed" the benefits of the workers' labors, but we're making future generations pay billions of dollars of their compensation.

State Treasurer Bill Lockyer, a member of the board of the California Public Employees' Retirement System, defended the practice at a University of California conference last month.

"I like building schools that the grandchildren will pay for. I think that's a prudent expenditure," he said in response to a question I asked. —... There are things that we pay for intergenerationally that are smart and wise. ... Businesses amortize their expenditures, their capital outlay. (Pensions are) analogous in the human investment sector to doing the same thing and distributing your investment costs over a number of years."

Lockyer's right that it makes sense for government agencies to borrow to pay for capital projects. When we build a bridge or a school, it should last for half a century or more. Future generations will benefit so it's reasonable to place some of the financial burden on them.

But he's wrong that pensions are analogous. We shouldn't borrow long-term to pay ongoing labor costs. It's irresponsible. Yet, that's what we're doing with pension liabilities.

Here's how it works: We pay workers in salary and benefits, including pension promises. Each year, workers earn more future pension benefits. So each year enough money should be set aside in investments to later cover those newly earned benefits. We assume that money, once invested, will be sufficient to pay off the future pension benefits.

Unfortunately, that's not what's happening. First, it's becoming clear in California that the future costs of benefits promised during the last 12 years is more than had been originally anticipated. Second, investment returns have not reached the levels that were planned.

As a result, state and local government pension plans are drastically underfunded. For example, CalPERS has only about two-thirds of the money it should. Employers and often employees

contribute to the upfront costs of pensions. But when retirement system investments come up short, taxpayers are responsible for the entire resulting debt.

Rather than cover the shortfall now, government agencies are essentially borrowing to cover the cost. They're taking out a mortgage.

State and local governments in CalPERS have run up about \$110 billion of debt, most of which is scheduled to be repaid over 30 years. The Contra Costa pension system has more than a \$1 billion tab, to be repaid over 18 years, and Alameda County's system has about the same, with a 24-year repayment.

In pension parlance, this is known as the unfunded liability. It's the difference between how much the pension systems should have in its investment funds now to pay for future pension benefits, and how much it actually has. What's important to remember is these pension benefits are compensation for labor that's already been provided.

Yet our children will be paying for it. They will be paying for the steak that we ate.

To be sure, we must be realistic. Pension systems are dependent on investment returns, and those returns fluctuate. But pension accounting mechanisms adjust for those ups and downs by spreading out investment gains and losses to soften the impacts -- a process known as smoothing. (We'll save the discussion of how CalPERS abuses the smoothing process for another day.)

What's at issue here is the debt that's left after the smoothing. Elected officials, from local city council members to state legislators, and public pension plan administrators have decided it's OK to push the liability far into the future. Few of them stop to think about what they're really doing.

Let's identify this for what it is: Intergenerational theft. We're stealing from our children and they have no recourse.

# California teachers' pension system headed toward insolvency

By Sharon Noguchi snoguchi@mercurynews.com

### Posted: 02/21/2011

As California school districts anticipate possibly the worst budget crisis in a generation, many will try to lighten their burden by enticing older teachers into retirement. But as more and more teachers retire -- with a pension averaging 55 percent to 60 percent of salary -- they will be straining a system that already can't meet its obligations.

The California State Teachers' Retirement System is sliding down a steep slope toward insolvency. The threat isn't to teachers who have retired or plan to, but to the people of California. Taxpayers, who already pick up 23 percent of CalSTRS expenses, will be increasingly burdened as the giant pension system fails to meet its obligations.

"We're on a path of destruction," said Marcia Fritz, president of pension-reform group California Foundation for Fiscal Responsibility.

And merely rejiggering formulas for new employees won't rescue the system, she said. Simply put: "We overpromised."

Among those promises, "Californians have typically given their public employees richer retirement benefits" than have other states, according to the nonpartisan Legislative Analyst's Office.

Despite the looming disaster, CalSTRS is like an ocean liner that's slow and complicated to change course. Gov. Jerry Brown hasn't mentioned overhauling the system that benefits one of his major supporters, the teachers union. Nor has the Legislature taken up the issue.

CalSTRS, a \$146.4 billion system, provides the retirement of public-school teachers and administrators. Like its sibling pension system, CalPERS, which provides for nonschool state employees, CalSTRS' collections don't meet its obligations to current and future retirees.

Although CalPERS has imposed higher contributions, reformers say CalSTRS' formulas can be revised only by legislation, a statewide initiative or possibly a constitutional amendment and litigation -- not to mention immense political will. Courts have ruled that retirees are guaranteed the pensions promised them when hired.

### No Social Security

Twin reports issued earlier this month amplify the alarm. The Legislative Analyst's Office suggested that the state gradually decrease its share and move toward either cost-sharing with teachers or creating a hybrid retirement system, with reduced pensions and a 403(b) savings program -- the public- and nonprofit sector's equivalent to 401(k) retirement accounts.

And actuaries for the state Teachers Retirement Board calculated that contributions would have to increase 77 percent to make the system sound.

But the report added that given the state's financial distress, those contributions likely can't be increased for more than a year. By law, each teacher contributes 8 percent of salary to CalSTRS, the school district adds 8.25 percent, and the state puts in about 4 percent.

Compare that to the private sector, where employers and workers each contribute 6.2 percent to Social Security, and may contribute and match more through 401(k) savings. Teachers do not participate in the Social Security system.

Any move to pare benefits or collect more from employees would affect only future teachers, not current employees. That's why Fritz thinks a constitutional amendment to reduce benefits for current teachers is necessary.

The fund's shortage is exacerbated by cutbacks to teaching ranks, so fewer teachers are paying into the system. But the core of the problem has roots in the 1990s, when California took a contribution "holiday," paring back payments to the two big state retirement systems and bumping up benefits, even retroactively fattening retirees' checks. When the economy tanked, CalSTRS' portfolio dropped 25 percent. Combined with enhanced benefits, the system now has a ballooning gap between its promises and income, or \$40.5 billion in unfunded liabilities.

Jason Sisney, the LAO's director of state finance, in a video posted on the LAO's website likens the state to consumers paying only the minimum balance on their credit cards -- the overall balance keeps growing.

Among his office's recommendations are revising contributions, ending retroactive benefit increases and paying costs as they accrue, rather than deferring them to future generations.

Any proposal to scale back current benefits is sure to raise opposition from teachers and their union. Teachers believe they've earned their CalSTRS benefits. "It's money I've been paying in for 30 years. It was promised to us when we signed on," Pioneer High teacher Anne Kline said.

Although eligible for years to retire, Kline calculated her benefits and decided she still can't afford it, because of the costs of health insurance.

Although teachers widely agree with Kline that they're merely reaping their own contributions toward retirement, systemwide teachers collectively are drawing out more than not only what they've personally put in, but what their school districts have contributed as well. Many can even take home more in pensions than they netted while teaching.

### 'Buying' bigger pension

CalSTRS' formula, which is based largely on employee salary, age and longevity, tends to reward retirement at age 61<sup>1</sup>/<sub>2</sub>. For example, a teacher who has worked for 35 years, making \$90,000 in her final year, could retire at age 62 and reap a \$75,600 annual pension -- 84 percent of salary. Teachers can add to their pensions by "buying" additional years.

A pension reform group has drafted a proposal that would cap the state share of future benefits at about 11 percent of salary.

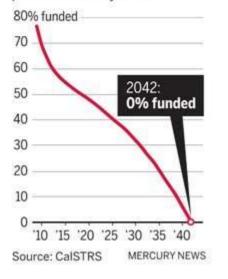
In contrast to the proposed overhaul, teachers' pensions on average currently amount to 55 percent to 60 percent of their salaries, CalSTRS counselor Dave Gillies said.

The pension reformers hope to find a sponsor for their legislation soon, said Dan Pellissier of California Pension Reform. And if the Legislature doesn't pass a bill by mid-May, the group will circulate a petition to put it on the state ballot, he said.

"We have seen polls that 80 percent of likely voters know something needs to be done," said Fritz, an accountant and former CalPERS consultant. "They're listening."

# Funded CalSTRS benefits

The percentage of benefits for retired California teachers that CalSTRS can cover will fall from 80 percent to zero by 2042.



### TO HELP MAKE THE TEACHERS RETIREMENT FUND SOLVENT

Among the nonpartisan Legislative Analyst's Office suggestions to reduce the future burden on taxpayers:

Increase employees' share of costs

Create a hybrid retirement system, with a pension plus a 403(b) savings plan, the public-sector equivalent of a 401(k) plan

Stop paying retroactive benefits

Ensure a pay-as-yougo system

### Redondo Beach moms seek school board seats

By Rob Kuznia Staff Writer Posted: 02/19/2011 11:00:04 PM PST

Sarah Palin recently said nobody is more qualified to be president of the United States than a mom.

So she'd most likely consider the three candidates vying for two spots on the Redondo Beach Unified School District board to be highly qualified.

The contest will be Redondo Beach's first-ever vote-by-mail- only election, and the ballots - which recently began landing in mailboxes - are due March8.

Anita Avrick, Arda Clark and Laura Emdee are all mothers of children who've matriculated through the K-12 system. They've all been highly involved in the schools over the years, either as PTA leaders, classroom volunteers, school board watchers or all of the above. All three are professionals with advanced degrees. Finally, they're all political newcomers, vying to replace two termed-out trustees, Arlene Staich and Carl Clark, Arda's husband.

On the issues, the three women express differences that are nuanced at best.

But as is often the case in small-town politics, the alliances and jockeying happening beneath the surface are more complicated than meet the eye. As befits a grass-roots, nonpartisan race, the divisions have little to do with party affiliation. But the fissure does seem to conform to a more local version of partisan politics, namely a simmering tension between the city and school district.

In one corner are Emdee and Avrick, two friends who consider themselves co-runners in the race. Both are backed by all five members of the City Council and the mayor.

In the other corner is Clark, who, as the wife of an outgoing board member has been peripherally involved with the board for the past eight years.

Blurring this rift is the Redondo Beach Teachers Association, which has endorsed Avrick and Clark.

The three neophytes are taking the political plunge at a particularly delicate time for all schools across California, Redondo Beach included. Over the past three years, Redondo's general-fund budget has shrunk by \$8.8 million, to about \$60 million. Class sizes in grades K-3 have risen from 20 to 25.

School officials say if Gov. Jerry Brown's proposal to ask voters to extend temporary tax hikes fails to come to pass, the district will lose an additional \$2.7 million. This would mean laying off more teachers, and raising class sizes even higher.

Although local school boards generally have limited control over their funding, Redondo Beach has some added flexibility due to a vacant property that it can lease. This is the main source of tension between the city and schools.

In a nutshell, the city's parks and recreation department for years was the tenant at 320 Knob Hill Ave., most recently for \$302,000 annually. But the city bailed, fearing the rent would be raised after the school board learned that the land could fetch considerably more money.

Now the board is scrambling to find a new renter so it can maintain the revenue stream. It most recently awarded a bid to a housing developer that has proposed 100 units for the site. The developer, Mar Ventures, has yet to formally accept.

Some city officials say they've felt pushed out. But some school officials say the city started it. They say the board didn't even consider reassessing the value of the land until the city, about five years ago, announced its intention to seek a year-to-year lease instead of the five-year lease it had before.

In any event, the differences among the three candidates on this issue are subtle.

Both city-backed candidates, Emdee and Avrick, are critical of the way the city was treated.

"I would have liked the board to work with the city, but that wasn't done," Avrick said.

"I think the city feels pushed out, and the school board feels a little bit betrayed," Emdee said. "I would have had a little more open dialogue."

Emdee and Avrick also are backed by the Knob Hill Community Group, which rallied against the bid of Torrance- based Mar Ventures.

Clark says her top two preferences for the site - to keep the city there and to lease it to a private school - have fallen through. She said one option that hasn't been given a full hearing is the idea of leasing to a commercial interest, perhaps a series of shops.

"The other three corners are all commercial there," she said. "That's the only corner that is not. Also, I think that would bring in sales-tax revenue."

Unlike her two opponents, Clark said she is not opposed to the housing plan, which involved an affordable-housing component.

"I think there's this unfortunate misconception about what affordable housing is," she said. "People picture slums or something. There is a housing need in this city for middle-income people."

Following is a short profile of each candidate:

### Anita Avrick

Anita Avrick isn't easily star-struck. That's because, like many people in Southern California, she spent much of her professional life around television and movie stars.

A semiretired stage manager and a member of the Directors Guild of America, she worked on TV shows such as "Soap," "The People's Court," "Mr. Belvedere" and "The Fresh Prince of Bel-Air."

In 2002, actor Will Smith presented her with the Franklin Schaffner Lifetime Achievement Award for a distinguished career and her volunteer work for the guild.

All the while, Avrick has been a volunteer in the schools. She has served as the PTA or PTSA president at Beryl Heights Elementary, Adams Middle and Redondo Union High schools. She headed up a program that brought in senior citizens to read to elementary-school children. Last school year, she was the recipient of the Redondo school district's Education Advocate Award.

Over the years she has occasionally been a vocal critic of the school board. For instance, she once criticized a proposed Spanish program for kindergartners, noting there was no plan in place to follow up in the later grades.

"After standing up and arguing from that side of the fence, I decided maybe it was time to sit on the other side," she said.

A longtime union advocate, Avrick said her philosophy is that unions and managers should hash out contracts respectfully. Asked whether she believes the Redondo Beach teachers union has done so, she answered: "I don't know."

Avrick, who declined to give her age, earned an undergraduate business administration and accounting degree from California State University, Northridge in the early 1970s. After graduating, she worked for a time as a legal secretary for Howard Hughes. She also obtained a law degree from Southwestern University of Law.

### Arda Clark

As the wife of an eight-year school board member, Arda Clark is acutely aware that some people view her as an extension of her husband. This, she says, is untrue.

"We have a very good marriage," she said. "But he and I are different people."

The main difference, she says, is one of style.

"He would probably say I'm nicer," she said. "He tends to be more blunt than I am."

Clark said she has attended or watched nearly every school board meeting for the past nine years.

"It almost felt wrong not to do it," she said, of entering the race. "We talk about this on a daily basis. It's our dinner table conversation."

Clark, who turns 55 on Tuesday, immigrated to the United States from Syria at age 13. She said she comes from a family of educators. Her father was a teacher, as was her grandmother. Her sister is a college professor.

Clark and her husband work together as real estate agents. But they are both English majors. In fact, they met in a poetry class. Clark has authored two books geared toward middle school students. Both books, "Dyslexia" and "Brain Tumors," were published by Lucent Books in 2005 and 2006, respectively.

She holds two degrees in English literature: a bachelor's from UCLA and a master's from California State University, Los Angeles.

Clark says she has already started working on a way to recoup funds for the cash- strapped district. The district has access to \$6.2 million from an old fund connected to Redondo Beach's shuttered Aviation High School, which closed in the 1980s. But under current rules, the money can only be used on capital expenses, like construction.

Clark contacted Assemblywoman Betsy Butler about loosening the restrictions so the district can use the money on teacher salaries.

So far, she has just heard back from a staff member, whom she put in touch with a district administrator.

### Laura Emdee

Laura Emdee is an entrepreneur who ran a marketing business for 15 years. At its height, the business, Beyond Incentives, pulled in \$1 million a year and employed two others. She closed the business recently, partly to run for school board, though she acknowledged the economy was a factor.

Emdee, 47, graduated from Narbonne High School in Harbor City. The mother of two sons - the oldest a student at the University of California, Davis and the youngest a junior at RUHS - has served as the PTA president at two schools, Madison Elementary and Adams Middle.

Endee said she was inspired to run because she believes the voice of parents has not been heard.

As examples, she cited the Knob Hill debates, which riled up neighbors opposed to the idea of a housing complex, as well as parking woes engendered by construction from a voter-approved bond.

"Have you ever tried to go to Redondo Union High School for a football game on a Friday night?" she said.

Emdee earned an economics degree from the University of California, Irvine, and a master's in business administration from California State University, Dominguez Hills.

She says one of the biggest issues dogging the district is how just 45 percent of the students graduate from Redondo Union High with the credits to qualify for attending a UC school.

"Other districts are in the 80s - that's a travesty," she said.

Putting her marketing skills to work, Emdee recently crafted a Q-and-A letter about the matter and submitted it to PTA newsletters.

"What's happening is (graduates) are just going to El Camino (College), so there is not a big push," she said. "The problem is, El Camino and other small colleges are also feeling the budget crunch. So when students go to take the classes, they can't get in."

# Exporting presents opportunities and challenges for small businesses LA Times

### By Cyndia Zwahlen

### February 21, 2011

The potential for growth in overseas markets has drawn U.S. small businesses into exporting, particularly with the U.S. economy still slow. And the government hopes more will participate.

Exporting can be daunting for small-business owners, but with the domestic economy still slow, it's tempting.

Some small businesses have had significant success in expanding to overseas markets. Orly International Inc., which makes nail care products, is a 105-employee firm in Van Nuys. Its foreign sales growth now outpaces the annual increases in domestic sales.

"We just have seen such a growth opportunity in our export business that we have accelerated that emphasis to build more export markets," said Bob Hobe, Orly's vice president for international business development.

The company exports to 82 countries and is looking toward Latin America for further expansion. Hobe cited Brazil, Chile and Argentina as examples of countries that "have had continuous growth even in the global recession."

The federal government is hoping more companies get into exporting. Last year, President Obama set a goal to double the nation's exports by 2015 as a way to increase U.S. jobs. In California, exports of merchandise climbed 19.3% in 2010 to \$143.3 billion, according to a recent U.S. Commerce Department report. That is almost back to pre-recession levels and accounts for about 11.2% of merchandise exports nationwide, according to Beacon Economics.

Most of California's exporters are small and don't venture too far afield — Mexico and Canada are the top two countries for the state's exports.

"There is a lot of potential to go beyond our little regional corridor here, beyond Canada and Mexico," said Richard Swanson, director of the Pacific South region for the U.S. Commercial Service, an arm of the Commerce Department.

But small-business owners who want to get into exporting face a number of obstacles, especially if they want to move beyond North America. They have to find trusted overseas partners to handle distribution. They have to deal with shipping logistics and sort out sometimes-complicated import duties.

Also, some businesses fear their intellectual property will be stolen if they sell a product overseas. This issue has come up particularly in dealings with China.

"If there were no constraints, if there were no challenges and we knew no one would rip us off, then everyone would be exporting," said Suresh Kumar, assistant secretary for trade promotion at the Commercial Service.

Among the Commercial Service's resources are industry-specific counseling, trade missions and conferences for companies that want to export to new markets.

Information is available online at http://www.export.gov and at the Commercial Service's export assistance centers across the country, including in downtown Los Angeles, West Los Angeles, Newport Beach, Ontario and Ventura.

Orly International has used the agency's Gold Key Service to find prescreened distribution partners, Hobe said. The service costs \$350 to \$700 for businesses that have fewer than 500 employees.

Chuck Mirjahangir, principal at Mirjahangir Engineering of Huntington Beach, attended a trade show in Hong Kong in the fall with the help of a federally funded program.

"When the market started going a little bit south here, I started to explore the opportunity of going overseas," said Mirjahangir, whose company specializes in green energy systems.

He has had no overseas sales but is in talks with several potential clients.

At the state level, there are a number of Centers for International Trade Development, down from 13 a year ago. The center at El Camino College, which developed the green-technology export program (www.greenexport.org), no longer gets state funding but still operates a wide range of services.

Director Maurice Kogon has developed a seven-step export program that covers training, marketing, promotion, distribution and other matters.

He's recruiting companies for a trip to a green-technology trade show in Beijing.

"Some portion of the 85% of manufacturers who don't export, would if we could get to them," Kogon said. "Renewable energy equipment is a sweet spot."

# **El Camino College Compton Center offers free tax preparation help**

### 2011-02-23 / News The Compton Bulletin

Need help preparing and filing your taxes, as well as applying for student financial aid?

El Camino College Compton Center is hosting Intuit, the makers of Turbo Tax, and the Computer and Communications Industry Association (CCIA), which will provide free tax preparation and filing assistance on Friday, Feb. 25 and Saturday, Feb. 26 from 10 a.m. to 3 p.m. in the Compton Center Vocational Technology building atrium. Registration is on the first floor.

Taxpayers can prepare and file their 2010 federal return for free if one of the following applies: earned \$31,000 Adjusted Gross Income (AGI) or less in 2010; qualify for the Earned Income Tax Credit (EITC); or served Active Military Duty in 2010, including Reservists and National Guard, with a 2010 W-2 and an AGI of \$57,000 or less.

Participants need to bring a copy of their 2009 tax return, if available; a picture I.D. for each taxpayer and spouse, if applicable; a Social Security number or Individual Taxpayer Identification Number (ITIN) for each family member; proof of income, including W2, 1098T and 1099 forms; documentation of deductible expenses; and account and routing numbers of checking and savings accounts for direct deposit. Trained volunteers and tax experts will be on hand to provide assistance. Spanish translation is available.

To make a reservation for tax preparation assistance, call 866-577-1231 and mention you are calling for an appointment for the Tax Freedom Project. Walk-ins are welcome.

Also at ECC Compton Center on Feb. 26 is a Cash for College fair for parents and students from 9 a.m. to 3 p.m. in the Vocational Technology building. This event is free to the public and includes an in-depth presentation in both English and Spanish on available financial aid and scholarships.

There will be online computer assistance and expert guidance with the Federal Financial Aid Application (FAFSA) to meet the March 2 priority deadline. Those who attend the Cash for College workshop will also be entered into a drawing to win a \$1,000 scholarship.

There will also be an education resource fair for individuals and families to learn about programs and services available at ECC Compton Center. The resource fair will include representatives from Cal-SOAP, CalWorks and Compton Career Link WorkSource Center and others.

# **El Camino plans Black History Month events**

# **Daily Breeze**

From staff reports Posted: 02/21/2011

Campus plans Black History Month events: El Camino College is sponsoring a variety of events throughout February in celebration of Black History Month. All events are free and open to the public.

Visitors are invited to the Schauerman Library to "Let Freedom Ring," an exhibit created by El Camino College history professor Maria Brown, on view through Feb. 28.

Other events include: "A Timeline of Our History," a play presented by the ECC group Project Success from 1 to 2 p.m. Tuesday in the Student Activities Center East Lounge; and "Who's History Is His Story?" featuring the Rev. Cecil "Chip" Murray from 1 to 2 p.m. Thursday in Marsee Auditorium.

The celebration concludes with a "Taste of Soul Festival" along with a "Historical and African Dress" show from 11 a.m. to 3 p.m. Feb. 28 in the college's Alondra Room.

# **Cox's contract as CEO of El Camino College's Compton campus terminated**

By Rob Kuznia Staff Writer Posted: 02/25/2011

The contract of the CEO who was running the Compton campus of El Camino College has been terminated, officials said Friday.

The move was announced by Genethia Hudley-Hayes, the state-appointed trustee who makes decisions in lieu of the Compton district's defanged school board.

Although Lawrence Cox was under contract until June, 30, 2012, his last day was Thursday, said an El Camino press release, without further explanation.

In 2006, Compton College became the first - and heretofore only - community college in the state to have its accreditation revoked. Later that year, El Camino College near Torrance agreed to take the campus under its wing.

About the same time the college's accreditation was revoked, the state stripped Compton's board of trustees of all legal authority. The board still meets every month, but only as an advisory body. In place of the governing board, the state chancellor of community colleges appointed a single trustee with executive power.

Several people have held the position. In January, Hudley-Hayes took the reins from Peter Landsberger.

Friday's press release said Danny Villanueva has been named "administrator in charge." Villanueva was hired as the chief business officer for the Compton district in December 2010. A new CEO is expected to be announced by the end of March.

- Rob Kuznia

# Waste throws wrench into Los Angeles community colleges' massive project

By Michael Finnegan and Gale Holland, Los Angeles Times *February 27, 2011* 

he effects of decades of neglect were all too visible at the nine far-flung campuses. Roofs leaked. Furniture was decrepit. Seismic protections were outdated.

In 2001, leaders of the Los Angeles Community College District decided to take action. With support from construction companies and labor unions, they persuaded voters to pass a series of bond measures over the next seven years that raised \$5.7 billion to rebuild every campus.

The money would ease classroom crowding. It would make college buildings safer. New technology would enhance learning. And financial oversight would be stringent.

That is what was promised to Los Angeles voters.

The reality? Tens of millions of dollars have gone to waste because of poor planning, frivolous spending and shoddy workmanship, a Times investigation found.

Bond money has paid for valuable improvements: new science buildings, libraries, stadiums and computer centers. But costly blunders by college officials, contractors and the district's elected Board of Trustees have denied the system's 142,000 students the full potential of one of California's largest public works programs.

This picture emerges from scores of interviews and a review of thousands of pages of district financial records, internal e-mails and other documents.

At East Los Angeles College, construction of a grand entry plaza with a clock tower degenerated into a comedy of errors. Heating and cooling units were installed upside down, inspectors found. Concrete steps were uneven. Cracked and wet lumber had to be torn out. A ramp for the disabled was too steep for wheelchairs, and the landmark clock tower listed to one side.

Fixing the problems helped drive construction costs from \$28 million to \$43 million.

A new health and science center at Valley College was marred by defective plumbing, cracked floors, leaky windows and loosely attached ceiling panels that threatened to crash down in an earthquake.

The district paid a contractor \$48 million to build the complex, but had to hire others to correct the problems and finish the project — for an additional \$3.5 million.

At least those buildings were finished, eventually. At West Los Angeles College, officials spent \$39 million to design and begin construction of four major buildings, only to discover that they didn't have the money to complete them.

Just as crews were starting work last summer, the projects, including a \$92-million athletics center, were abandoned.

"This is astounding," said David Beaulieu, president of the District Academic Senate. "How could this have happened?"

At Valley College, workers renovated a theater complex, installing new seats, lighting and sound equipment in time for a 2009 student production of "Alice in Wonderland." But even before the \$3.4-million job was done, officials decided to build a new theater complex. The renovated one is slated for demolition.

"I think it's obscene, given what's going on in this economy," said Pete Parkin, former chairman of the theater department. "It's mind-boggling."

At L.A. City College, architects were hired to design a five-story fitness center with a glassed-in dance studio on the top floor. Before construction began, the college president decided to move the fitness center to the other side of campus. There, it would need to be short and wide, not tall and narrow.

The \$1.8-million design was suddenly worthless. The district paid architects \$1.9 million to draft a new one.

The waste has not been limited to construction. Bond money that was supposed to pay for new buildings has gone to public relations, travel and promotional videos.

The videos alone cost more than \$350,000 and include aerial footage shot from chartered helicopters. "Upbeat music and graphic effects" were added at the request of district officials, who wanted the productions to be "more lively and entertaining," a video producer wrote in an internal e-mail.

Some of the videos illustrated the progress of the program. But one was a biography of Larry Eisenberg, the district official in charge of the program; it included childhood photos of Eisenberg set to a soundtrack of piano music by French composer Erik Satie.

The district paid still photographers up to \$175 an hour to take pictures of trustees at construction award banquets.

It hired an expert in feng shui, for \$250 an hour, to give advice on harmonizing new buildings with their surroundings.

To oversee wind energy projects, officials hired a public relations specialist with almost no experience in renewable power, at an annual salary of \$135,000.

In an e-mail to a colleague, Tony Fairclough, a consulting engineer on the district's energy projects, shared his dismay over the hiring. He wondered why managers of the construction program would "employ people and then dump them in a position for which they have no qualifications."

"It makes me angry," he wrote, "that we waste money like this."

### An unwieldy system

Many share responsibility for the waste, starting with the seven members of the district's Board of Trustees, part-time elected officials with no expertise in construction.

The board relies heavily on guidance from contractors that stand to profit from its spending decisions. A management consultant urged the trustees last year to hire an independent construction advisor to identify the public's best interests; they rebuffed the idea.

Complicating matters is an unwieldy system of power-sharing that dilutes accountability.

Eisenberg oversees the construction program for the board and the college system's chancellor. But the presidents of the nine colleges wield tight control over bond money allocated to their campuses. They can veto projects and switch plans, and often do.

Faculty and staff unions also have a say on every project.

Further undercutting fiscal discipline is the sheer volume of money at the district's disposal — nearly \$6 billion. Officials changed plans, discarded designs and killed projects in midstream in part because they could. There was more than enough money to paper over mistakes.

Eisenberg once joked about the challenge of spending up to \$31 million a week.

"There was a movie some time ago about someone giving money, and they had to spend it in a certain amount of time," he told a business group in downtown Los Angeles in 2009. "Well, they didn't know us."

Still, the district can point to many benefits from the \$2.6 billion spent thus far. At East Los Angeles College in Monterey Park, students work at banks of shiny iMac computers in a new science building. At Valley College in Valley Glen, the swim, diving and water polo teams practice in a new Olympic-size pool.

On every campus, crews in hard hats are bulldozing debris and pouring concrete. By

2015, the district hopes to have opened more than 80 new buildings and to have renovated dozens of others.

Of the seven trustees, only one — board President Georgia Mercer — was willing to discuss the program in depth.

"I'm really proud of what we've been able to do," said Mercer, a public relations consultant long active in San Fernando Valley politics and a trustee since 1998.

She defended decisions such as the planned theater demolition at Valley College, saying the goal of the districtwide program when it began, with \$1.2 billion in hand, was to "keep the place glued together."

"What do you do when you only have a limited amount and your house is falling apart?" she asked. Only later, she said, did the board decide to seek billions of dollars in additional bond funding.

Mercer described the trustees as laypeople who try to "hire the best people and not interfere in management." As to the waste The Times uncovered, she said, "Believe me, we take it very seriously."

Eisenberg conceded mistakes in the management of the program, among them a failure to police sloppy contractors aggressively.

"We can't just sit back and let them do their thing," he said. "We need to be on them."

But overall, he said, the construction has supplied many jobs, and the district has spent the money "in a very effective and very efficient way."

In private, Eisenberg has been more critical, indeed unsparing, about the program's faults.

In an April 2009 e-mail, he told his construction chief that quality control was "horrible," adding: "Our new buildings are fundamentally flawed.... We cannot control lighting systems, HVAC [heating, ventilation and air conditioning] systems, security systems, building management systems, etc. We have buildings that leak....

"We are opening buildings that do not work at the most fundamental level," he wrote.

### 'Strict oversight' vowed

Money for the building campaign comes from everyone who pays property taxes in the 882-square-mile community college district, home to 5.2 million people. An owner of residential property assessed at \$400,000 paid \$714 in extra taxes for college construction over the last nine years and will pay several times that much over the next four decades.

The district runs the largest two-year college system in California. It trains students for careers in nursing, law enforcement, entertainment and other professions. Its diverse resources include a 200-acre farm and equestrian center at Pierce College in Woodland Hills and fashion and culinary programs at Trade-Technical College just south of downtown Los Angeles.

Prominent people who got their start in the system include architect Frank Gehry, author Charles Bukowski and film star Morgan Freeman.

By the 1990s, however, many campus buildings had fallen into disrepair. So in 2001, the board placed before voters a \$1.2-billion bond measure, followed by another for nearly \$1 billion in 2003.

Both passed by wide margins.

In one respect, trouble was inevitable: Voters had put \$2.2 billion under the control of seven of the region's most obscure elected officials. They would be spending it with almost no public scrutiny — despite their promise of "strict oversight" by a citizens committee.

Nearly all of the trustees are longtime players in local politics. To fund their election campaigns, waged largely by mail, they typically solicit donations from college administrators, unions and contractors.

Voter approval of the construction program opened a spigot of new campaign money by turning the trustees into powerful figures in the world of California public works. All but one of the trustees — Tina Park — have accepted donations from builders, architects and engineers who have won contracts from the board, records show.

In 2003, the trustees hired Eisenberg to run the program. A San Fernando Valley native, he had overseen smaller public building programs in Oregon and Wisconsin.

The trustees also hired a private construction company to handle day-to-day management under Eisenberg's guidance, a role now filled by URS Corp. of San Francisco.

Nine other firms coordinate projects, one company at at each campus. Like URS, they have all been major donors to the trustees and to campaigns to pass the bond measures.

By 2007, it was clear that the \$2.2 billion in bond money would run out long before the district had finished all the projects on its list. The trustees decided to go to voters once more, this time with the biggest bond measure of all — a \$3.5-billion proposal, Measure J, on the November 2008 ballot.

Contractors put up nearly two-thirds of the \$1.9 million raised for the ballot campaign. Measure J passed with 70% of the vote, more than doubling the size of the construction program.

Taxpayers will be repaying the debt until at least the 2050s. With interest, the bill is likely to exceed \$11 billion.

### **Projects go astray**

Overwhelmed by the program's scale, the trustees mostly let Eisenberg run it as he saw fit.

"He was in charge of everything, all the money," said former Pierce College President Thomas Oliver. "Because the district wasn't good at building anything, everybody kind of followed his lead."

Eisenberg played to the trustees' thirst for recognition, pursuing construction awards that they liked to publicize. Even after problems spilled into the open — such as the loss of several million dollars when a financing plan for solar power projects collapsed — the trustees rarely questioned his leadership.

Nor did they raise questions when college presidents spiked projects.

At Southwest College, the district spent \$2 million on a parking lot shaded by solar panels. With the work half-finished, the project was abandoned, leaving rows of steel poles protruding from the fresh blacktop.

Why? The college president, Jack E. Daniels III, had decided that a performing arts center should be built there instead.

Daniels said his decision reflected the college community's preference for a signature arts and humanities building at the main entrance to the campus, rather than an array of solar panels.

"It was never the intent to waste dollars," he said, "and we monitor all costs closely."

Even modest projects have gone astray. At Pierce, the district botched a \$1.8-million veterinary science project to build new shelters for cattle, pigs, goats and llamas, along with utility lines and a new road.

Among the errors: Enclosures were built at the bottom of a slope, exposing the cows to torrents of mud and manure in a heavy rain.

The chicken coop lacked sufficient ventilation. Summer heat would "cook the birds," said Leland Shapiro, chairman of the animal science department. And the water trough for Oliver, a potbellied pig, was set too high for his snout. Eighteen months after construction crews packed up and left, some of the new facilities are still unusable. The trustees have hired an architect to redesign the project for \$91,000. A full overhaul, with new features, will cost \$264,000 more, said campus construction manager David Tsao.

More consequential was the foul-up at West L.A. College, where Eisenberg, URS and others approved more projects than there was money to pay for.

By July 2010, the college was on track to spend \$132 million more than its \$414-million construction budget.

The overrun forced cancellation of the \$92-million athletics center, a \$34-million theater complex and a \$47-million maintenance building and parking garage. By then, the district had spent \$39 million designing the projects and starting construction.

Why were they approved in the first place?

Lloyd Silberstein, a senior URS executive, said there were "things that broke down here" but insisted it was up to the college president, then Mark Rocha, and Turner Construction, the firm overseeing projects at the Culver City campus, to watch the budget.

In a memo to Eisenberg, a Turner manager said the trouble began when the college spent more than \$50 million to buy land for a new road and worsened when Rocha ordered \$53 million in project upgrades. Among other things, according to Turner, Rocha had a five-story building expanded to seven stories, even after being told the college could afford no more than four.

Rocha, who resigned to become president of Pasadena City College as the problem was coming to light, did not return phone calls seeking comment. Through his lawyer, Rocha said he did not approve any project unilaterally and rejected what he said were efforts to blame him for overspending.

College officials say they hope to salvage one of the canceled projects, the parking garage, by selling surplus land to raise money. That way, architectural plans already paid for would not be wasted. If the plan works, the college could cut its overall losses on the abandoned projects from \$39 million to \$27 million.

"Could it have been a more efficient process?" Eisenberg said. "Of course."

### **Relatives get jobs**

By Eisenberg's account, the program has been "remarkably clean in terms of relationships and ethical behavior and those kinds of things."

But district leaders have not hesitated to help family members land jobs, The Times found.

A niece and nephew of trustee Sylvia Scott-Hayes are among those who benefited.

The niece, Monica Ramirez, sent Eisenberg an e-mail in January 2009 saying, "Sylvia suggested that I contact you." Eisenberg passed her resume to James D. Sohn, then a URS vice president.

"We found her a place on the program," Sohn wrote Eisenberg a few weeks later. "She starts next Monday."

Ramirez, 33, is a project coordinator. Scott-Hayes' nephew, Rick Ramirez, 36, has done public relations work for the program.

Scott-Hayes, a retired state college administrator, said her relatives did not get special treatment. "Whatever I did is what I would do for anybody else who asked me to forward their resume," she said.

College presidents also eased family members onto contractor payrolls. Ernest Moreno, president of East Los Angeles College, asked Pacifica Services Inc., one of the main construction supervisors on the campus, about a job for his son Derek, auditors reported.

Pacifica hired the younger Moreno in 2003 and put him to work on college district projects in 2008. When Tyree Wieder, then interim chancellor of the district, found out, she told Pacifica President Ernest Camacho that she saw "a significant appearance of impropriety by both Ernest Moreno and you."

In a February 2010 letter, she ordered Camacho to remove Derek Moreno from assignments under his father's purview and to let her know if any other district staff members approached him about jobs for family members.

Camacho replied that Derek Moreno, an engineer, "was hired on his own merit" and worked on Pacifica projects at schools other than East L.A.

Neither Camacho nor Derek Moreno responded to requests for comment.

Moreno's father said in a statement: "I never used any influence to obtain employment for my son Derek."

A similar case arose at West L.A. College. When he was president, Mark Rocha helped his wife land a job with the construction program. In an interview last year, Rocha recalled telling Eisenberg: "Hey, my wife is looking for a job. Is there anyone you know of you could refer her to?" With a plug from the district, Rocha's wife, Nancy Rosenberg, 45, was hired as a construction manager by Jacobs Facilities Inc., a contractor at East L.A. College.

Notwithstanding his conversation with Eisenberg, Rocha said he "used no influence whatsoever to get my wife a job at Jacobs."

His wife referred inquiries to a Jacobs spokeswoman, who did not respond to requests for comment.

At Mission College in Sylmar, Gateway Science & Engineering, the contractor overseeing construction on the campus, hired a young man named Keith Hoefel as an intern. His mother, Karen, was then a college vice president who oversaw Gateway's work.

Karen Hoefel said she did not ask Gateway to hire her son. Keith Hoefel did not respond to requests for comment.

### **Illegal spending found**

After Times reporters began asking questions about waste, construction errors and other problems, the trustees in November 2009 commissioned a special audit of the program by a management consulting firm, Capstone Advisory Group LLC.

Mona Field, then president of the Board of Trustees, worried about potential fallout from hiring an investigator as well-qualified as Capstone's chief auditor.

"The resume looks like overkill," Field wrote in an October 2009 e-mail to the district's interim chancellor. "Won't people believe that we suspect MAJOR fraud if we hire someone like her?"

The district has kept Capstone's findings secret, releasing only its March 2010 recommendations.

But it did follow Capstone's advice to create a whistle-blower program and a position of inspector general to investigate allegations of waste and corruption.

The board rejected applications for the position from accounting giants Deloitte Services LP and Ernst & Young and nine other firms.

Instead, it hired Policy Masters Inc., a newly formed company headed by Christine E. Marez, former director of construction policies at the Los Angeles Unified School District. Marez has no experience as an independent auditor or investigator.

From 1998 to 2003, she was a school construction manager for Gateway, a major contractor on the college district's building program. Gateway's owner, Art Gastelum, has

been a leading campaign donor and fundraiser for the trustees.

In an interview, Marez said her ties to Gastelum would pose no conflict. "I would not discriminate," she said.

In addition to the Capstone audit, the district ordered a review of the program by its bond counsel, Fulbright & Jaworski. The law firm reported that millions of dollars in bond money had been spent in violation of state law.

The money went, among other things, to public relations, food, travel and aerial photography for promotional videos. The law allows bond spending only for construction and the purchase of property or furniture.

The law firm's review led officials to lay off at least 15 people, including a woman whose main job was to book speeches for Eisenberg and the trustees. Also dismissed was an avant-garde Swedish photographer hired to take what one official, in an internal e-mail, called "glamour shots" of new buildings.

In theory, such excesses should have quickly been flagged. In all three ballot measures, the district had promised that a citizens committee appointed by the trustees would rigorously monitor spending. But the panel was starved for money, staff and information and failed for eight years to file annual reports to taxpayers, as required by law, Fulbright & Jaworski found.

James Lynch, chairman of the committee from 2006 to 2009, said of the construction program: "Quite honestly, it was run so well that it would be a model for any place."

Lynch, a former chief executive of the Beverly Hills, Santa Monica and Century City chambers of commerce, said he had heard nothing about construction errors, misspending or nepotism. "It seemed like everything was pretty transparent."

The lack of oversight has allowed construction debacles to escape public notice. Among them was the rebuilding of the entry plaza and two adjacent buildings at East L.A. College.

President Moreno envisioned a New England campus atmosphere for the district's most crowded school. The entry plaza would be a showcase, complete with a modern clock tower, 77 feet high.

But the project fell behind schedule, and workmanship was poor. The district fired the prime contractor, Morillo Construction Inc., which has denied responsibility for the problems.

Officials brought in a second contractor to finish the project and a third to do a forensic study of everything that had gone wrong and estimate the cost of repairs.

The study, fiercely disputed by Morillo, cited faulty wiring and duct work, among other defects, and said \$157,000 worth of welding and other steel work was needed to straighten the clock tower.

Moreno recalled his reaction when construction supervisors brought him the bad news. "The tower was crooked — my tower," he said. "They said, 'We have to straighten the tower."

His reply: "You're kidding me."

## A new complex riddled with ills that are costly to cure

Valley College's health and science center exemplifies the poor oversight and quality control exercised by the Los Angeles Community College District in its vast construction program.

By Michael Finnegan and Gale Holland, Los Angeles Times *February 26, 2011* 

The opening of a new health and science center at Los Angeles Valley College should have been cause for celebration. The complex included the first new classroom building on the campus in more than three decades. There were chemistry and biology labs, a greenhouse, an aviary, even mock hospital rooms for nurse training.

But when students and professors poured through the doors, excitement quickly turned to dismay.

Ceiling panels and floor tiles were askew. Crooked cabinet doors would not shut.

Hot water ran through cold water pipes, cold water through hot. Hot, dirty water flowed at emergency eyewash stations, making them useless. Spigots at some sinks were misaligned, pointing water straight onto lab counters.

Wild temperature swings left students roasting or freezing. A deep chill killed lizards in a biology lab. An imbalance in air pressure created a wind-tunnel effect, and it took a herculean effort to open or close classroom doors.

The problems at the Allied Health and Science Center went well beyond comfort or convenience. Exit signs and fire extinguishers were missing. Hanging pipes and light fixtures were not securely attached to ceilings.

Chemistry professor Elizabeth Friedman was appalled at the builders' work.

"I wouldn't let them build an outhouse for me," she said.

The Los Angeles Community College District, which paid a contractor more than \$48 million to build the science center, had to pay other firms at least \$3.5 million more to fix and complete it. The district and the original contractor, FTR International of Irvine, are embroiled in a court fight, with each seeking to recover money from the other.

The project offers a vivid illustration of the oversight and quality control problems that have plagued the district's \$5.7-billion, voter-approved bond program to rebuild its nine campuses.

Nizar Katbi, founder and president of FTR, defended his company's performance. In an

interview, he said FTR met its obligations even though architectural plans were often vague and energy-conservation features posed difficult challenges.

"Every problem brought to our attention has been addressed and taken care of," Katbi said.

Dozens of interviews and a review of hundreds of internal e-mails and other documents tell a different story. They show that inspectors, architects and project managers began finding serious construction defects early on and grew increasingly frustrated as deadlines came and went and the complex ultimately opened with many of the problems uncorrected.

Those supervising the project on the ground pleaded with higher-ups to deal firmly with FTR. Yet the top two officials overseeing the construction program did not share their urgency.

They publicly praised the contractor's work and repeatedly approved payments to FTR over the objections of Valley College officials and construction supervisors, who wanted the money held back until problems were corrected. The district had the right to withhold nearly \$5 million but released almost \$4 million, forfeiting a key source of leverage.

The conciliatory approach was charted by Larry Eisenberg, the district official in charge of the building program, and James D. Sohn, then a vice president of <u>URS Corp.</u> of San Francisco, the college district's construction manager.

When Katbi became embroiled in a dispute with an inspector who had documented numerous flaws, Eisenberg urged subordinates to consider transferring the inspector, records show. Later, Eisenberg argued forcefully against suing FTR.

Two years after construction began, and after inspectors and architects had cited the company for hundreds of instances of substandard work, Sohn sent Katbi a letter thanking FTR for a "job well done." FTR posted the letter on its website as a client testimonial.

Sohn declined to be interviewed.

Eisenberg said FTR was "a good company" that had struggled with a difficult project, and he defended his attempts at accommodation.

"My feeling was that there was an opportunity to work in a positive way with FTR to resolve the issues," he said.

Eisenberg admitted that in the end, "it didn't work."

Months after the complex opened, the district awarded FTR an even bigger contract at West Los Angeles College, followed by more projects at Pierce and Mission colleges — a total of \$113 million in new work.

In December 2008, the district celebrated a California Construction magazine award recognizing FTR and the Allied center at Valley College.

"I was speechless," said Don Gauthier, an associate geography professor who teaches in the complex. "These are the people who have just caused us so much agony."

### A test for officials

The Allied project — a pair of attached buildings, one with classrooms, the other with faculty offices — was supposed to be a huge step forward for a campus built in the era of black-and-white TV.

Departments scattered around the Valley Glen campus would be gathered in one place to offer <u>nursing</u>, science and other classes central to the college's mission of training students for jobs.

As one of the first large projects in the district's building program, the 100,000-squarefoot complex would test the ability of Eisenberg and Sohn to choreograph dozens of projects on campuses spread across the Los Angeles area.

FTR won the job after submitting the lowest of four bids — \$46 million.

Katbi, a Syrian immigrant, founded the company in 1984 after earning a master's degree in engineering at the University of Iowa. Since then, FTR has built school buildings, police stations and athletic facilities across Southern California.

Like other contractors working on the campus construction program, the firm has cultivated close ties to college district leaders. It contributed \$60,000 to a campaign to encourage voters to expand the program in 2008, and thousands more to help reelect three members of the district's Board of Trustees.

Construction of the Allied buildings began in April 2006 and was supposed to be finished two years later. Subcontractors performed much of the work, but as the prime contractor FTR was responsible for all of it.

There were problems from the start. Sixteen concrete pilings were sunk in the wrong locations, inspectors found. One was more than four feet from the spot designated in blueprints. To ensure the building's structural integrity, engineers insisted on extra concrete and on steel reinforcement of four pilings.

As work progressed, Robert Payinda, a district construction inspector, uncovered other flaws. Beams were installed in the wrong locations. Columns were crooked. Staircases were not firmly anchored to the ground. Fireproofing was sloppy. Bolts were too close together or too far apart.

Ricardo Hernandez, an engineer who monitored the project, called Payinda "a lifesaver."

"Whenever he saw things awry," Hernandez said, "he always put his foot in front of it and said, 'Hey, this has got to stop.' "

But Payinda's frequent citations angered Katbi, who regarded him as a nitpicker. In a letter to one of the district's top construction supervisors, Katbi accused the inspector of "sabotaging the job and causing unnecessary cost and delays for the college."

In a February 2007 e-mail, an Eisenberg advisor listed ways to defuse the situation. "Option No. 2" was moving Payinda to a different project.

Eisenberg replied, "Like your #2," and copied chief of inspectors Frank Alaniz, asking: "What do you think?"

Alaniz countered that Payinda was "doing exactly what we're paying him to do on our behalf."

Payinda remained on the job. He called the contractor's complaints "bullying tactics" and later sued FTR for slander. The case is pending.

### **Relations deteriorate**

As FTR was forced to fix mistakes, delays mounted. In April 2007, URS project manager Robert Dieken told the contractor that the defects were "extremely troublesome and an indication that your quality control process is not functioning properly." By July, the project was more than five months behind schedule.

Relations between the contractor and URS' on-site supervisors deteriorated. They wanted FTR to work faster and repair its mistakes. FTR said that the delays were not its fault and that it needed money to keep the project on course.

Early on, FTR had threatened to stop work unless the district sped up payments. Now, it agreed to pick up the pace, but only if the district increased its contract by \$2.3 million to deal with unforeseen site conditions, including asbestos contamination.

Those overseeing the construction — architects, engineers, inspectors and Valley College staff members — wanted to take a hard line. Katbi took his case to Eisenberg and Sohn, who favored a gentler approach.

The district had paid a law firm nearly \$18,000 to document FTR's alleged deficiencies, but Eisenberg joined Katbi in arguing that a lawsuit would be a waste of money.

"We understand that LACCD has an army of lawyers as you have indicated in our meeting," Katbi told Sohn in an August 2007 letter. "However, Larry and I have committed that neither one of us is interested in the lawyers having any role on this project."

FTR started trading offers with Eisenberg and Sohn for a settlement to get the project on track.

In November 2007, the two sides agreed to a \$3-million increase in FTR's contract. The agreement set construction milestones that FTR had to reach by specified dates. Eisenberg and Sohn sold it to reluctant Valley College leaders as the best way to get the buildings finished on time.

FTR agreed to complete construction by May 30, 2008.

### **Inspector's 'harassment'**

Days after the agreement, the company demanded a new concession: early release of several million dollars that the district had the right to withhold until the project was done.

Typically, public agencies retain 10% of all payments until a job is at least halfway to completion. At that point, they often reduce the "retention" and withhold, say, 5%. But normally, agencies release retention money only if a job is going well.

This one was not.

Where the design called for three layers of drywall for fire safety, workers had installed two. Where holes were punched in drywall for pipes, Payinda wrote, the openings were caulked improperly, which "greatly compromises the fire and life safety of the building and occupants."

"The district is not only NOT getting the building they paid for but they are paying more to get less," Payinda wrote in a memo to architect <u>Michael Johnson</u>, two months after the deal to increase FTR's contract.

Katbi asked project managers to stop the inspector's "harassment." He also complained that the architects who designed the complex were taking too long to respond to requests for design clarifications. The latest delays, Katbi wrote, were not FTR's fault, and the contractor needed money.

"As per our discussion, the more cash in our hand the faster the job will be built," Katbi told Sohn in a February 2008 letter that he also sent to Eisenberg.

Tom Lopez, Valley's facilities director, asked why the college should "give up any leverage."

FTR had been uncooperative and confrontational, he wrote. He doubted it would finish the job on time.

But on April 1, 2008, Eisenberg approved the early release of almost \$925,000. Six weeks later, although it was clear by then that FTR would miss the May 30 deadline, the district released \$930,000 more.

The idea, Eisenberg said in an interview, was "to encourage different behavior and hopefully make FTR do a better job."

By then, Payinda had issued 368 citations. Concrete was cracked. Roof drains did not work. Metal studs that were supposed to be solid were hollow.

While the inspector and architects cranked out reports demanding repairs, Sohn sent Katbi the admiring letter that FTR posted on its website.

"We have had hundreds of contractors work with us over the years, and your firm stands out as among the best," Sohn wrote.

The project fell further behind. Katbi blamed the latest delays on the district's change in its choice of carpeting and its slow pace in resolving troubles with water and gas lines, among other things. "The settlement agreement does not require FTR to perform miracles," he wrote.

As the fall 2008 semester drew closer, a project manager suggested halting the release of retention money unless the job was done by the end of July.

"I completely disagree," Sohn responded. "By not paying FTR you are giving him no resources to finish and put his enthusiastic support at risk."

"Right on," Eisenberg wrote after getting a copy of Sohn's e-mail.

Payinda soon issued his final citation — his 422nd — for deviations from the design. In every faculty office, the inspector found, metal heating panels hanging from the ceilings were vulnerable to collapse, with little holding them in place.

Unless the problem was fixed, he wrote, someone might "get injured seriously should a

seismic event occur."

The following week, just as classes were starting, an architect reported that in room after room, workers had installed ceiling tiles prematurely. This made it impossible to verify that the heating panels had been securely anchored.

### 'Frustration and disgust'

Disappointment was profound when the complex opened in August 2008. The twin buildings were unfinished, and faculty found the science labs unusable.

In an e-mail, Lopez, the campus facilities chief, described the college community's reaction as "dissatisfaction, frustration, and disgust."

Fire sprinklers were improperly installed, project managers found. A district consultant found that an FTR subcontractor had falsified test results on the heating system, which was not working.

"Your firm is not close to finishing the project," construction manager Jim Rogers of URS told Katbi in response to the contractor's latest request for money.

At the end of December, the district released an additional \$2 million in retention money, leaving less than \$800,000 as leverage. A URS employee scrawled "Please RUSH" on the financial paperwork.

A month later, Eisenberg gushed about the project in a "Hot Project Status Report" to the Board of Trustees. "The Allied Health and Science Building at Valley College continues to win awards," he wrote, referring to recognition from a construction trade group.

After hearing repeated "horror stories," Marshall Drummond, then chancellor of the college system, toured the complex in February 2009.

He was stunned by room temperatures that veered from 60 to 92 degrees.

"I pretty much insist that we get on people and fix this mess," he told Eisenberg in an email.

Eisenberg dispatched a construction manager, Victor Sanvido, to survey the project.

"What you have here," Sanvido reported back, "is an emergency situation — the building needs much work done to it and it needs to be done soon to prevent further deterioration."

In May 2009, the district hired a new contractor, Pankow Special Projects, to fix the problems that faculty and students had now been living with for nine months.

Pankow would reroute the plumbing. It would add drywall for fire safety and brace the ceiling fixtures. It would fix cabinets and doors, balance the air pressure and fix the heating and air conditioning systems.

When Pankow's contract went before the Board of Trustees, Eisenberg buried a description of the work in a \$4.4-million catch-all project labeled "multi-campus retro-commissioning upgrades."

In an interview, Eisenberg at first insisted that Pankow was hired to do newly assigned work on the buildings. He later acknowledged that a third of Pankow's contract involved fixing defects and completing work left unfinished by FTR.

"There's no doubt that the building had numerous issues when it was stated as complete, and those issues needed to be fixed," Eisenberg said.

When a contractor does "minimally acceptable work," he said, it "often makes sense to ... bring in someone else to complete the job and correct the errors that are there rather than pay the lawyers."

### **Contractor sues district**

FTR moved on to a bigger job: a \$74-million contract to build a technology center and theater complex at West Los Angeles College in Culver City.

Under a new state law that lets public agencies merge design and construction, the district was not required to pick the lowest bidder, as it had been on the Allied complex. The law allows agencies to consider design aesthetics, a bidder's track record and other factors, along with price.

The district chose FTR over 10 other bidders for the project, which has since been scaled back to just the technology center. Eisenberg called FTR's proposal "outstanding."

Last spring, FTR sued the district over the Valley College project, saying it was owed more than \$1 million for its work.

In response, the district accused FTR of performing "defective work" and refusing to fix it. It demanded \$1.5 million to cover the cost of Pankow's repairs. The case is pending.

Nonetheless, the Board of Trustees went on to award FTR a \$9-million designconstruction job at Pierce College in April and a similar \$29-million project at Mission College in July.

In an interview, Eisenberg said he had no hesitation about working with FTR again. He

described Allied as a "snake-bit" project.

"FTR," he said, "is a good company."

## **Temporary Budget Bill Would Cut State Grant Program and Higher Ed Earmarks**

# **Inside Higher Ed**

## **Quick Takes**

### February 28, 2011

Republican leaders in the U.S. House Friday <u>released temporary budget legislation</u> that would end the Leveraging Educational Assistance Partnership Program and cut \$129 million in earmarked funds distributed in 2010 through the Fund for the Improvement of Postsecondary Education. The measure, which would extend funding for the federal government until March 18, is designed to give Congressional leaders and the White House more time to reach agreement on spending legislation for the rest of the 2011 fiscal year, which ends in September. A failure to reach agreement would result in a government shutdown, and the parties seem far apart right now, with the Obama administration and, to a lesser extent, Senate Democrats opposed to the deep cuts contained in the appropriations measure <u>the House passed this month</u>. The temporary measure introduced on Friday would cut \$4 billion over all; \$64 million of that would come from eliminating LEAP, which provides federal matching funds to states that use their own money for need-based aid. President Obama's 2012 budget would eliminate that program, too. Unlike the House's 2011 bill, the temporary measure would not cut funds for the Pell Grant Program.

# **College settles sex case lawsuit**

# **Daily Breeze**

Posted: 02/27/2011

A former secretary at El Camino College near Torrance who accused her boss - a dean - of sexual harassment will receive \$2.5 million in a settlement with the school.

The secretary, Nyesha Artiaga of Los Angeles, said the former dean, James Schwartz, subjected her to more than two years of sexual harassment and allegedly raped her in his locked office, according to court documents.

The community college will pay about a third of the settlement, or \$833,000, and its insurance company will pick up the bulk of the rest, although Schwartz was ordered to chip in \$25,000.

Artiaga said the harassment took place from 2007 to 2009. In graphically worded court documents, Artiaga, 33, accused Schwartz, 74, of groping her, demanding sex on his birthday and threatening to fire her or downgrade her performance review if she refused to have sex with him.

The documents also state that Schwartz, then the interim dean of fine arts, offered her up to \$800 in exchange for sex in hotel rooms. While Schwartz did not deny that they had a sexual relationship, he contended that it was consensual.

The case is a setback to El Camino, which in recent months has been defending itself against two similar harassment cases that are intertwined with Ariaga's.

In October, the college was vindicated when a judge ruled mostly in favor of the district in a sexual harassment and discrimination case filed by a former dean, Kristi Blackburn, who claimed she was the victim of a "good old boys" club.

The third case is set to begin today, with a jury trial in Los Angeles. In that one, former professor Carmen Hunt says the district tried to force her out for taking extended leaves of absence due to post-traumatic stress stemming from an alleged sexual assault by a former dean (not Schwartz).

As for the Artiaga case, the former secretary also made claims against El Camino's current vice president of academic affairs, Francisco Arce, who was Schwartz's superior before Schwartz's decadeslong tenure ended in June.

Artiaga said Arce had had it in for her even before Schwartz became her boss in March 2007. For instance, she said Arce had coerced Schwartz's predecessor - Blackburn - to give her a negative performance review. (Blackburn concurred in the lawsuit she lost.)

El Camino officials went public with the settlement on Tuesday during their regular school board meeting. As part of the settlement, which the El Camino board approved in closed session in January, Artiaga agreed to quit her job and never to apply for employment with El Camino again.

Public disclosure of the settlement wasn't required by law, but school board President Bill Beverly said the board decided to do so largely to show it has nothing to hide.

"Now maybe people will know, if this should ever happen to them, to stand up and say something - this isn't Libya," he said. "I believe if somebody is taken advantage of or trodden upon, they are going to get protected, and the bad guy is going to get what's coming to them. Maybe this will prevent it from happening - or from happening again if it did happen."

But Beverly also said nobody besides Artiaga and Schwartz really knows what happened between them. He insisted that while Artiaga often filed complaints to human resources about other co-workers and bosses, she never - to his knowledge - filed anything internally about the alleged abuse from Schwartz.

"If someone had come to us when the incident first occurred, we would have immediately separated them and gotten to the bottom of it," he said. "But you have to give us a chance to protect you. It's like expecting the police to show up and protect you from a burglary if you don't call."

Schwartz's administrative career with El Camino spanned four decades. He served as the dean of health sciences and athletics from 1975 to 1996, the interim vice president of academic affairs from 1996 to 2005, the interim dean of fine arts from 2007 to 2009, and the interim dean of the health services and athletics division from 2009 until his departure in June.

In 2009, he was inducted into the El Camino College Athletic Hall of Fame. During his last year at El Camino, his annual salary was about \$141,000, according to a college record.

While accounts differ as to whether the relations were consensual, nobody disputes that there were improper sexual relations between a supervisor and a subordinate, Beverly said.

"The disappointment on the part of the board is that a trusted and well-liked employee (Schwartz) at a minimum exercised very bad judgment and at a maximum, who knows," Beverly said. "No. 2, we have an employee who allegedly was being subjected to - again, in the worst light - some type of extorted behavior."

Schwartz, who didn't return a call requesting comment, was hired as Artiaga's superior in March 2007, after Blackburn left the post amid turbulence with Arce.

Also unavailable for comment were Artiaga's attorney, Trina Roderick, and the college's attorney, Larry Frierson.

"Upon their first introduction, Schwartz hugged Artiaga for an uncomfortably long time, his body making contact with both of her breasts and pelvis," said a complaint for damages filed by Artiaga's lawyers about a year ago. "Artiaga felt groped as Schwartz patted her back and kissed her on the cheek."

On Sept. 14 of that year, Artiaga said, Schwartz requested sex as a birthday gift. Meanwhile, her office mates, unaware of the dynamic between them, were planning a surprise birthday party for him.

"They treated him as if he were a god ... worshipping the ground he walked on and digesting every word that came out of his mouth," she said in a written testimony. "UNBELIEVABLE how much power one man can have."

By her telling, the co-workers arranged to hold the surprise party at P.F. Chang's China Bistro in Torrance. They asked Artiaga to drive Schwartz to the party, and she played along. In the car, on the way to the party, she said, Schwartz began groping her, allegedly pushing her head into his groin area. She said he demanded they get a hotel room.

"I panicked, knowing that the office staff was waiting for us at the restaurant," she wrote. Artiaga said she suggested they get a glass of wine at P.F. Chang's.

"He agreed! To further the humiliation, he patted my head as if I were a dog," she wrote.

When they entered the restaurant, the surprise party was waiting.

"The SHOCK on his face when he saw our staff was priceless," she wrote. "He was very angry with me but could not openly express himself with everyone around so instead he kept nudging me under the table."

It was later that day that the alleged rape took place, according to her written account.

By August 2009, Schwartz had moved on to become the interim dean of physical education, but was still responsible for her performance evaluation. According to court documents, Schwartz met with her on campus and showed her two completed evaluations, one negative and one "slightly positive."

"He then began rubbing Artiaga's legs, telling her it was her `decision.""

According to a written complaint filed with the California Fair Employment and Housing Act, Schwartz harassed Artiaga on her voice mail at work as recently as September 2009.

"Ms. Artiaga believes Mr. Schwartz has sexually harassed other employees he has supervised and that the employer knew, or had reason to know, that Mr. Schwartz had a history of sexually harassing the employees he supervised," the complaint said.

In July 2009, Constance Fitzsimons had taken over as the dean of fine arts. Artiaga accused her, too, of retaliation and harassment.

"In their first meeting, Fitzsimons told Artiaga that Schwartz and Arce `told (her) things about' Artiaga," the complaint said. "Fitzsimons, from her first day as Artiaga's supervisor, has micromanaged Artiaga's work in a clear attempt to `find cause' to terminate her employment."