ContraCostaTimes.com

10/6/08

Artist celebrates women at El Camino College exhibit

From staff reports
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"Vivan Las Mujeres (Long Live Women)," a celebration in paintings, drawings, prints and more by artist J. Michael Walker, opens today at El Camino College.

Raised in Little Rock, Ark., Walker eventually moved to a remote village in the mountains of northern Mexico, where he was captivated by the life, the landscape and the language of the people there. He also met the woman who would become his wife.

The couple lives in Los Angeles, where much of Walker's artwork has been created from the history and visages of the saints who gave the streets of L.A. some of its most famous names, such as Santa Monica, San Pedro and San Julian.

The El Camino College Art Gallery will be open during its normal gallery hours today, from 10 a.m. to 3 p.m., at 16007 Crenshaw Blvd. near Torrance.

An opening reception will be held from 7 to 9 p.m. Tuesday with live music by The Barnettes. A gallery walk-through with the artist will be held at 1 p.m. Oct. 14. The exhibit will continue during gallery hours through Oct. 31.

Call 310-660-3010 for more details.

DailyBreeze.com

Antique swap meet coming to ECC

By Nguyen Huy Vu, Staff Writer
Article Launched: 10/05/2008

Q: Antique swap meet

I have heard, but can't confirm, that a new antique swap meet is coming to El Camino College. It is said to be on the fourth Sunday of the month. As an antique dealer living in the South Bay area, it would be great for me. I would appreciate any information you could get for me.

- CONNIE KUPPER

Los Angeles

There are plans for an antique market at El Camino College every fourth Sunday of the month beginning after Christmas. Dates are Dec. 28, Jan. 25, Feb. 22, March 22, April 26, May 24 and June 28.

Dealers interested in participating in the antique market at the Torrance-area campus should call 562-633-3836 for more information.

- Nguyen Huy Vu

insidehighered.com

10/6/08

Putting What Works to Better Use

When critics of higher education list the supposed sins of colleges and their leaders, they almost always say that institutions have paid too little attention to the academic success of students and failed to develop creative techniques to engage and challenge students. A report to be published today by the Association of American Colleges and Universities puts the lie to that charge, documenting at least 10 practices (learning communities, undergraduate research and the like) that colleges commonly and successfully use to improve the academic outcomes of their students.

But don't be fooled: With this paper, the AACU and the report's author, George D. Kuh, a leading education researcher, keep up their pressure on colleges to bolster their performance in educating students. Yes, colleges and faculty members have, over the past 10 to 15 years, developed numerous successful practices to improve student performance, Kuh and AACU argue in the report, *"High-Impact Educational Practices: What Are They, Who Has Access To Them, and Why They Matter."*

But far too few students are exposed to the proven practices, and first-generation college students and others traditionally underrepresented in higher education are least likely to participate in these techniques, even though research shows that they benefit even more than their peers, the report finds.

"Our nation's future depends on helping today's extraordinarily diverse generation of college students reap the full benefits of their studies in college," Carol Geary Schneider, the president of AACU, said in her introduction to the group's report. "What Kuh's research plainly reveals is that we know what works, but we just aren't providing it to all the students who could benefit. We must make excellence inclusive and expand access to our best educational approaches to all our students, not just to those who are most privileged or most prepared for college learning."

Numerous previous reports by Kuh (who was founding director of the National Survey of Student Engagement and is Chancellor's Professor and Director of Indiana University's Center for Postsecondary Research) and by AACU's Liberal Education and America's Promise initiative have laid out the evidence that the practices underscored in this report — first-year seminars, service learning, capstone courses, and learning communities, among others — "appear to engage participants at levels that elevate their performance across multiple engagement and desired-outcomes measures such as persistence," Kuh writes.

The reasons why different activities seem to have these beneficial effects tend to vary, but as a general rule, they have certain things in common, Kuh writes: They require significant individual effort, provide significant interaction with professors and peers and expose students to the potentially conflicting views of others, provide significant feedback, and allow students to take their knowledge into settings outside the classroom, among other factors.

That's the report's good news. What's troubling, Kuh said in an interview, is that "even though people have been talking about the importance of these kinds of activities for a long, long time," and their benefits are clear, a relatively small number of all college students participate in these activities.

And while research shows that participation in these types of educational practices has a disproportionately positive impact (as measured by first-year GPA and retention rates to the second year of college) on underrepresented minority students, students from low-income backgrounds, and others who come into college with, on average, less academic preparation, those students are less likely than their peers to be exposed to these practices, as seen in the table below:

Proportion of Students Participating in High-Impact Educational Experiences, by Student Characteristic

	Freshman Year Experiences		Senior Year Experiences		
Student Characteristics	Learning Community	Service Learning	Research with Faculty	Study Abroad	Senior Experience
Type of Institution					
—Less Selective	16%	36%	16%	10%	30%
—More Selective	18	37	23	21	35
Race					
—African American	18	40	17	9	27
—Asian Pacific Islander	17	37	22	14	28
—White	17	36	19	15	34
—Hispanic	20	36	17	11	26
Enrollment					
—Part-Time	10	26	12	7	22
—Full-Time	17	37	21	16	35
First-Generation?					
—No	18	37	22	19	36
—Yes	15	35	16	9	29
Transfer?					
—Started Here	17	37	23	19	38
—Started Elsewhere	13	32	14	9	25
Age					
—Under 24	17	37	23	18	37
—24 or Older	10	24	13	7	24

Source: AACU and NSSE

If people know these experiences work, why are they not being distributed more broadly? Cost is almost certainly a factor, Kuh and Schneider say. Sending students abroad and involving undergraduates meaningfully in faculty research are expensive for institutions, and first-year seminars are a lot pricier than 400-student lectures. And there are natural barriers because of the characteristics of some underrepresented students, Kuh acknowledges. “Fewer first-generation students study abroad because they don’t have the resources to do it,” he said.

But getting faculty buy-in is both an essential element and often the bigger impediment, Kuh and Schneider agree. Kuh has aligned data from his student engagement survey with information from the Faculty Survey of Student Engagement, he says, and they clearly show a “linear increase” between activities that faculty members on a given campus believe are important and those in which their students participate. “For every point on the importance scale, the percentage of students who actually do whatever it is — be it internships, research with faculty — jumps 25 percent,” Kuh said. “When faculty decide it is important, it is much more likely to happen.”

Does all the responsibility fall on faculty members, then, if a campus does not make good use of educational practices that are proven to work for students? Hardly, says Schneider. Many of those practices involve work that falls outside the normal boundaries of activities for which faculty members tend to be rewarded — notably classroom teaching and pure research. As a result, professors on many campuses have little incentive to push for more students to participate in these sorts of activities, and “we have to change the reward system so that faculty are rewarded for student *learning* instead of *teaching*.

“When you think how many of these practices are being done through faculty good will up to now, it’s amazing we’ve gotten as far as we’ve gotten,” she said.

— Doug Lederman

MercuryNews.com
10/03/08

Fallout from Lehman Brothers collapse hits schools, cities in San Mateo County

By Sharon Noguchi

The small, well-off Menlo Park City School District long has considered itself a model of fiscal responsibility.

It boasts a rare AAA bond rating, has helped make it easier for older homeowners to get exemptions to the district's parcel taxes and has returned proceeds from refinancing bonds back to property owners — rather than plowing funds back into building projects, as many districts do.

So when the collapse of Lehman Brothers investment firm hit the district with a $3.5 million loss two weeks ago, officials were outraged and vowed not to take the news sitting down. It's searching for options — including perhaps suing— and seeking allies among the 1,000-plus entities in San Mateo County that also lost money in the county's investment pool.

"This is not at all fair to the taxpayers in our district," said trustee Terry Thygesen.

But giving Menlo Park a break, county Treasurer Lee Buffington said, would mean assessing someone else.

The district claims that it sent warnings last month about the proportion that the San Mateo County investment pool had placed in Lehman. Buffington denies hearing any such concerns.

Cities, school districts and agencies like mosquito abatement districts lost money because the county had invested about 5.7 percent of its funds in short-term unsecured loans with Lehman. By state law, school districts are required to keep their money with the county, which acts as their banker.

When Lehman declared bankruptcy Sept. 15, the county was out about $155 million, Buffington said. A fluke of timing slammed the Menlo Park district with a larger-than-expected loss. In the midst of a $106 million reconstruction project for all four of its schools, the district had just sold $30 million in bonds, and deposited the proceeds with the county.

"It's frustrating," said trustee Laura Rich. "Normally we wouldn't have so much money in there."

And because Buffington is apportioning the losses according to the average daily balances for the third quarter, the Menlo Park district took a big hit.

The San Mateo Community College District, which also had issued bonds to finance rebuilding, suffered the biggest loss among school districts, an estimated $25 million. Sequoia Union High School District lost about $5.5 million, and the Redwood City School District $1.1 million. Districts don't know yet how their building plans, or operating budgets, will be affected.

But per-student, Menlo Park may be absorbing the biggest loss. The district is remodeling Laurel and Encinal schools, and will start later this year on Oak Knoll, all financed with a $91 million bond voters passed in 2006.

Superintendent Ken Ranella said the district's bond oversight committee, which includes financial professionals, questioned whether the county's investment pool was diversified enough. "They could foresee a market that was teetering, so they were particularly interested in how our investments through the county treasurer were distributed." The district channeled its concern through the treasurer's investment advisory committee, Ranella said. As of this writing, he had not provided the Mercury News with a copy of the correspondence.

"No way," Buffington flatly said. He didn't receive any questions or warnings, he said. "They are unhappy because they don't want to be charged the same way everyone else is." The county itself is out about $40 million, he said.

The week before the bankruptcy, Lehman's rating was downgraded from A to B. But its collapse was unexpected, surprising many who had thought the investment giant would be bought out, Buffington said. He said the fairest way to apportion the county's loss, which may be eventually reduced depending on the outcome of bankruptcy proceedings, is to base it on third quarter average daily balance.

Buffington, who's been the elected treasurer of San Mateo County for 23 years, is wasting no time in apportioning the losses. "The best thing to do is to get it over with and move on," he said.

But Menlo Park officials said they're talking with other districts about options, and are not ruling out legal action. "We're exploring our avenues for recourse. This decision isn't done until it's done," Thygesen said. She argues that none of the school district's funds were invested in Lehman, because the district deposited its funds after the county bought Lehman securities.

She said others question the wisdom of Buffington's investments. He acknowledged that the county had an additional $100 million invested in Lehman, that came due on Sept. 12. Thygesen said, "The No. 1 investment guideline is the preservation of capital "...This is day-to-day working capital."

Indeed, the losses to the community college district included about $20 million in bond funds for construction, but also included $200,000 in proceeds from the campus bookstores, Executive Vice Chancellor Jim Keller said.

Although he said his initial reaction was unprintable, "To think that you aren't going to be touched by this financial crisis is probably Pollyannish."

The district, which operates Cañada, Skyline and San Mateo community colleges, hasn't yet figured out how it will absorb the losses and which projects will be trimmed.

"But," Keller said, "we accept donations to our foundation."

PITTSBURGH
TRIBUNE-REVIEW

Emsworth native readies for second trip to space station

By Robin Acton
TRIBUNE-REVIEW
Sunday, October 5, 2008

Glenn Fincke remembers his nervousness the first time he watched his older brother blast into space in 2004.

Thoughts raced through his mind as he worried about his brother's safety, fearing the unknown. From Earth, he couldn't even imagine the vastness of space. More than that, he didn't want to imagine the toll it would take on his family if something went wrong.

"But then, I found it really comforting and neat to see when I saw how excited he was in his spacesuit, smiling through his helmet," says Fincke, 36, of South Fayette. "He was like a little kid, living out his dreams."

This month, Air Force Col. E. Michael "Mike" Fincke will venture to the land of his dreams once again.

The NASA astronaut and space station veteran will command Expedition 18, which is slated for launch Oct. 12 from Baikonur Cosmodrome, Kazakhstan, aboard a Russian Soyuz spacecraft. After Fincke's Oct. 14 arrival, he will live and work aboard the International Space Station until spring.

This will be the second trip to the space station for the 41-year-old Emsworth native who lives in Houston with his wife, Renita, a NASA engineer, and their three children. As a space station science officer and flight engineer, he lived and worked aboard the space station from April 18 to Oct. 23, 2004.

On that trip, he logged 15 hours, 45 minutes and 22 seconds during four spacewalks.

"I really like it up there," Fincke says. "I feel lucky to be able to go again."

Flight crew

The astronaut, who has spent the past 18 months completing training in the United States and Russia, will command an international crew aboard the 10-year-old space station.

Cosmonaut Yuri Lonchakov, a colonel in the Russian Air Force, will serve as flight engineer and commander of the Soyuz for the launch. He will remain aboard the space station with Fincke until their anticipated March return flight, according to NASA.

They will be accompanied by a paying passenger, spaceflight participant Richard Garriott, who spent the bulk of his fortune -- some $30 million earned as a video game programmer -- to join the crew under an agreement with the Russian Federal Space Agency. Garriott, the son of former

NASA astronaut Owen Garriott, who spent time in space on Skylab in 1973 and Spacelab in 1983, will remain aboard the station for 10 days before returning to Earth with the crew of Expedition 17.

Fincke, Lonchakov and Garriott will join NASA astronaut Dr. Gregory Chamitoff, who flew to the space station in June and is scheduled to return to Earth in November, NASA said.

NASA astronaut Dr. Sandra H. Magnus, a space station flight engineer and science officer, will fly aboard the space shuttle Endeavor from Kennedy Space Center to join Fincke in November. She is slated to return to Earth on the space shuttle Discovery with a crew that will deliver a starboard truss segment to the space station in February, according to NASA.

Dr. Koichi Wakata, an astronaut with the Japan Aerospace Exploration Agency, will become the Japanese agency's first resident station crew member when he arrives on the launch with Magnus. He is expected to remain at the space station until May.

Fincke, who is conversant in Russian and Japanese, says he is comfortable with his assignment with the international crew. Calling it "ironic and a coincidence," he says he studied both languages in college, never knowing he would need those skills simultaneously.

"You gotta love it when a good plan comes together," he says, joking.

Part of the expedition's mission will involve installation of an oxygen-generation system, a secondary kitchen, a pair of phone booth-sized astronaut bedrooms and a filtration system that converts urine into water for drinking, food preparation and to feed the oxygen generator. The water recycler and the oxygen generator, while reducing the amount of regular water and supplies that must be shipped to the space station each year, will enable shipment of more equipment and science experiments, Fincke says.

In July, Fincke told reporters that he has no reservations about flying into space with Garriott, the sixth private citizen to participate in a space mission as a client of Space Adventures.

"I can see he really understands the importance of what we're doing ... and that he understands the operational side of things," Fincke says.

Garriott, according to a blog posted on his Web site, said he plans to speak with his father from space via ham radio, reliving some family history. His father made the first ham radio call from space during his 1983 shuttle flight.

In space, Garriott plans to conduct experiments and work on zero gravity art and photography. According to his Web site, he is partnered with a firm founded by his father, ExtremoZyme, for which he will conduct protein-crystallization experiments with proteins that have important cellular functions and are associated with human diseases.

At a news conference, Garriott told reporters he is not afraid, having trained extensively for the mission.

"I'm a devout believer in training well for risky activities," he said.

Rocket man

Expedition 18 also will involve "lots of spacewalks," says Fincke, who endured a harrowing experience on a spacewalk during his previous mission, when a leak in his oxygen tank sent him scurrying for safety.

He says that faith -- in his training, in the engineers, in the science and in the whole team -- helped him keep his cool.

"Never once did I panic," he says. "I had calculated about how much time I had. I was impressed with my training; I knew what to do, and I did it all."

Fincke, whose parents, Edward and Alma, live in Emsworth, graduated from Sewickley Academy in 1985. He attended the Massachusetts Institute of Technology on an Air Force ROTC scholarship and graduated in 1989 with dual bachelor of science degrees in aeronautics and astronautics and Earth, atmosphere and planetary sciences.

In 1990, he received a master of science degree in aeronautics and astronautics from Stanford University. Three years later, he received an associate of science degree in geology from El Camino College in Torrance, Calif. In 2001, he received a second master of science degree in physical sciences (planetary geology) from the University of Houston, Clear Lake.

He joined NASA in 1996.

According to his NASA biography, Fincke received a NASA Distinguished Service Medal, a NASA Spaceflight Medal and the first International Space Station Leadership Award. He also earned a United States Air Force Meritorious Service Medal, three Commendation Medals, two Achievement Medals, and various unit and service awards.

He attained the rank of colonel in January, his father says.

"I talked to him about that and reminded him that he can retire in a couple of years, but he's not interested," Edward Fincke says. "His life is pretty hectic ... but they thrive on it, and their house is always full of foreign nationals.

"I wasn't that ambitious at 41."

Mike Fincke says his ambition, his love of science and the excitement of space travel keep him motivated during months of rigorous training spanning two continents.

For almost 18 months, he alternated monthly between the United States and Russia to prepare for his role as Lonchakov's copilot on the Soyuz. He says the small Russian spacecraft is the "lifeboat" for the space station because it shuttles crews back and forth.

Astronauts who train for the space station must be able to speak Russian and cannot be taller than 6 feet, he says. Fincke, at 5 feet, 6 inches tall, says he fits comfortably in the spacecraft, which was designed in 1960.

Space station astronauts also must be able to handle the emotional hardships of long separations from family and friends, Fincke says.

"Some astronauts fly only on the shuttle, because they don't fit the profile for the space station," the commander says. "Fortunately, my family can put up with it."

Space dad

Fincke, the eldest of seven boys and two girls, grew up in a family that remains close, even though he and his siblings are scattered across the country. When he leaves the Earth's orbit, his extended family ties draw even tighter around his wife and children.

Renita's parents, Rupesh and Probha Saikia, formerly of Assam, India, live in Houston and will help her care for the couple's baby girl, Surya, born in March, their son, Chandra, and daughter, Tarali. Edward and Alma Fincke, who will join their daughter-in-law and grandchildren in Russia for the launch, will spend time in Texas to help out during their son's absence.

Mike Fincke says his family is his "biggest blessing." His wife, whom he described as "the right girl" for him, gave birth to their second child while he was aboard the space station in 2004.

"It was pretty neat, because we were able to do a video conference in real time after she was born. But I worry, though, and I'm always concerned, because I have a responsibility to be there for my family," he says.

"I will say, though, that some days my wife is ready to send me up."

The Finckes' work with the space agency is reflected in the Indian names of their children. Chandra is the Indian word for "moon," while Surya means "sun," and Tarali is the word for "star."

Fincke's sister-in-law, Jodie, who is married to his brother, Glenn, developed a plan to help Renita and the children during the astronaut's first tour in space. She worked out a family visitation calendar to avoid conflicts that would overwhelm, rather than help.

"The family pulls together," Jodie Fincke says. "Renita is just wonderful; she's someone that you really want to help out."

Family members are working out plans to watch the event on television. In 2004, some of the astronaut's siblings viewed the launch via the Internet, while others caught it on the NASA cable channel, she says. A few spent time together in Boston, where they had a launch party.

Blast off

As the launch approaches, Mike Fincke says he's ready to go on a mission that he refers to as "the capstone to my career." Although he is scheduled to live in space for six months, he understands that he and his crew are at the mercy of conditions that could delay their return.

The Soyuz, he says, has a reputation for running "pretty much on time." Still, he and his family realize they must plan their lives around the mission.

Fincke adds that he feels fortunate to be a part of the America's space travel endeavors and the international space station effort, noting that at least one person has been living in space continuously since 2000. He says he's angered that funding gaps will jeopardize the nation's space program if NASA does not get enough money from the government.

"All Americans should be bothered, because this is a rich country that is all about exploration," Fincke says. "This should be something that defines who we are as a country."

When the mission is over, Fincke says he plans to continue his NASA career. He says he feels as though he's in the "exact place, at the right time, doing the exact thing" he's supposed to do.

Some astronauts fly once and go on to do other things, Fincke says, adding that others have stayed with the agency since the first shuttle class. He says he plans to stick around as long as he can.

"Who would have ever thought that someone from Pittsburgh could do this?" Fincke asks.

"I always tell schoolchildren that 'there's no difference between me and you.' Dreams can come true."

The Associated Press contributed to this report.

SacBee.com

Dan Walters: Business tax gimmickry makes a return

By Dan Walters

Published 12:00 am PDT Friday, October 3, 2008

In 2000, then-Gov. Gray Davis and legislators of both parties squandered most of a one-time, $12 billion windfall of income tax revenues on permanent spending and tax cuts – one of the most indefensibly irresponsible political actions in California history.

As brain-dead as that action was, however, Davis & Co. made it worse by trying – and failing – to paper over the budget deficits that quickly emerged after the spending orgy.

Rather than undo their horrendous error, he and legislators adopted the first of a years-long series of bookkeeping gimmicks, up-front and backdoor loans and raids on other funds to keep the state fiscally if not morally afloat.

One of those Enron-like tricks was suspending income tax write-offs of business losses for a couple of years, with the proviso that they would be reinstated later at a much higher rate.

It was officially "scored" as a budget revenue gain, but in fact it was a very short-term, very high-interest loan from corporate California to the state, repaid in the form of permanent corporate income tax reductions.

When voters ousted Davis in 2003 for fiscal mismanagement, successor Arnold Schwarzenegger declared that he would end "crazy deficit spending" and balance the state's books. But he's never done it for a variety of reasons, and five years later, the deficit is as bad as or worse than when he took office.

The much-delayed 2008-09 budget, finally enacted last month, not only fails to bridge the gap but includes blast-from-the-past corporate tax changes that trade short-term revenue gains for long-term revenue losses – even worse, if that's possible, than the earlier giveaway.

One new gimmick suspends corporations' ability to carry forward net operating losses to offset future profits for two years, and then allows them carry back losses against past profits and claim tax refunds from prior years, thus fattening up a major benefit from the earlier action.

The state gains something over a billion dollars a year during the suspension, but probably will be repaying a half-billion a year forever – another extremely high-interest loan from business to the state.

Even worse, the budget package includes a second corporate tax break, suspending income tax credits meant to encourage certain kinds of investment for a couple of years, and then allowing businesses to transfer those unused credits to affiliated companies in the future. That change picks up about $600 million a year in revenue, but the cost in revenue losses will be many times over that.

"This giveaway makes the budget a massive corporate boondoggle that does nothing to fix our structural deficit and, in fact, will make it substantially worse," Treasurer Bill Lockyer thundered as the package was enacted.

He's absolutely correct, and Schwarzenegger and lawmakers should be ashamed of themselves for trading short-term gain for long-term loss. They now qualify for employment in the investment banking industry.

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October 06, 2008

To: Dr. Tom Fallo & Ms Ann Garten
El Camino C C

From: Campbell

Re: Report # 09.08
Capitol Update, The Budget.

I am going to try and explain, as best I can, what is going on with the recent budget that was signed into law. In order to not say "I told you so," let me begin by saying there is no way in the world that anyone in Sacramento can fix the budget without making major structural changes that a segment in the process (the legislative Republicans), to date have not yet agreed.

When the budget deal was finally signed eighty five days late many of the revenue assumptions were erroneous (this is not new). You will recall that we were all told that the state would experience a structural deficit of $1.7 billion next year. Because there were so many flawed assumptions this projection was totally incorrect. The real structural deficit will be closer to what it was this last year $20 $22 billion.

Things are still so uncertain that the Governor has called a meeting for this Wednesday with Legislative leadership with the prospect of calling a special session to deal with the budget all over again. Because the budget was passed so late this year it got caught up in the Federal bailout issue, which means the availability of cash in the way of a $7 billion dollar loan is getting more difficult to get and when they do get one it will have a higher interest rate.

John Chiang, the State Treasurer, told the Governor and the Legislature that the state will need $7 billion to pay the bills by the end of October, hence the need for a loan. The economy shows no sign of improving, which means the state won't be receiving more revenue to fill the holes that were left from this year's budget. When you add this to the recent demand by US Dist Judge Helton Henderson that he expects California to come up with $8 billion to build seven prisons and the appointed trustee J Kelsoe says he needs $3 billion of those funds before July of 2009 to fix the prison health care system, you are facing a nightmare.

I won't go into all of the other weak assumptions that were used to balance the budget, like leasing the Lotto for $5 billion a year for three years because it will make the understanding of the budget even that more difficult. Suffice it to say that it is a mess.

I am told that when a Special Session is called every item will be reopened, with the possible exception of Higher Education (for 2008-09) because the school year will have already begun and it is hard to close down classes etc. Proposition 98 will possibly be suspended which means funds that are not to be expended in the 2008-09 budget year could be used to balance the budget. If there was any chance of getting the Governor's Higher Education and Local Government Compacts reinstated, they went with what is now taking place in the economy.

I am not sure what the Governor hopes to accomplish with the Special Session because unless he can get the Republican Legislators to relent and vote for revenue enhancements there will be no discussion. This scenario has caused the Democrats to cave in to the demands of the Governor's (past and present) and Republican Legislators, which has led to the total emasculation of many programs that serve children, seniors and the poorest of the poor. In short all of this does not bode well for the next few years and if something isn't done soon California will match the federal crisis in scope, the only thing is we can't print money.

I can't think of a time when I have had to put forth such a negative report, but before all of this gets back to some semblance of order a lot of suffering will have taken place, a lot of public employees will be let go and a lot more attention will be given to public employee pensions and benefits. As of this writing many public agencies are negotiating with their employee unions to reduce benefits and restructure their benefit plans for potential new employees.

What this means to Community Colleges is difficult to say, however because Community Colleges are tied to Proposition 98 your funding will be affected, the question, how much? I can imagine a scenario where Prop 98 could be suspended for two or three years. The economy is that bad.

The one good thing that happened this year is that all of the major community college stakeholders worked together and I believe it paid dividends. The community colleges are held in pretty high regard in the capitol, by both party's and by the Governor; this will be useful in the next session. I will let you know what happens with the Governor and the legislative leaders when they meet tomorrow (today when you read it).

Take care

SacBee.com

10/7/08

Governor may call special session to deal with rising deficit

By Kevin Yamamura

With the ink barely dry on the current state budget, turmoil in the financial markets and flagging tax revenues will force Gov. Arnold Schwarzenegger and lawmakers to reopen talks Wednesday on the spending blueprint he signed two weeks ago.

They will seriously consider calling lawmakers back to Sacramento for a special session, as the state's current spending plan may already be out of balance due to falling revenues, according to Capitol sources.

The leaders also will discuss California's need for a $7 billion short-term loan, a normal borrowing maneuver that has become problematic in the wake of recent tight credit markets. Further problems arose Monday when U.S. District Judge Thelton Henderson said he expects the state to pay $8 billion to build seven new inmate medical facilities and upgrade other units, adding more pressure to the budget situation.

California relies heavily on personal income tax and sales tax to generate revenues, and state officials fear both sources are significantly weaker than predicted when officials were crafting the current budget. Updated revenue estimates were unavailable Monday.

To deal with lower revenues, sources said the governor could declare a budget-related special session as he did in January, forcing lawmakers to consider another round of spending cuts, accounting maneuvers or tax increases to bridge the gap.

"It's likely that revenues will come in lower than expected," said Schwarzenegger spokesman Aaron McLear. "Obviously we're going to monitor the situation closely and be prepared for any scenario, and that's why he's meeting with the four leaders on Wednesday, so they can continue to work together to go over the revenues and make decisions on what's best."

Revenue indicators for September are discouraging so far. Paul Warren, revenue and tax coordinator for the nonpartisan Legislative Analyst's Office, said personal income tax and corporate tax receipts for September are down slightly more than 10 percent from projections. He said the month is a significant indicator because it is when quarterly tax filers make their estimated payments.

"I think what's been going on with the credit markets makes it more likely the numbers aren't going to get a lot better quickly," Warren said. "So it does seem like we're going to be revenue challenged. The revenues aren't going to come in the way we anticipated in April or May, so (a special session) would be a reasonable thing to do. Obviously, the earlier they come back, the more flexibility they have because as you spend money, you lose flexibility."

Sen. Darrell Steinberg, D-Sacramento, said he would have to wait until after Schwarzenegger meets with leaders before discussing the merits of a special session.

"It would not surprise me, given the continuing troubles in the economy, to see us faced with a current year budget deficit," Steinberg said.

Steinberg is scheduled to take over as Senate president pro tem on Nov. 30, though that timeline never accounted for a potential special session this fall.

Faced with a midyear budget gap last fiscal year, lawmakers in February approved $2 billion in cuts that reduced school funding and Medi-Cal reimbursements. The state also relied on selling bonds and delaying debt repayment to get through June.

Democrats and Schwarzenegger supported tax increases to resolve the 2008-09 budget, but Republicans blocked new taxes by withholding their crucial votes for the budget. Assemblyman Roger Niello, R-Fair Oaks, said raising taxes would be the worst thing to do as the economy suffers even more.

"I'm certainly sensitive to the issues (of state services), but if we indeed have to have a special session because of the utter deterioration in the economy, to solve that problem by raising taxes would be problematic at best," Niello said. "In the face of a weak economy, not only does it exacerbate that weakness but it won't raise the amount of money you anticipate."

Advocates for education and social services said they cannot weather further cuts.

Frank Mecca, executive director of the County Welfare Directors Association, said Schwarzenegger used his line-item veto to cut $70 million from the California Work Opportunities and Responsibility to Kids (CalWORKS) program, placing program administrators under pressure to provide the same level of services with less money.

"It's completely unrealistic, so I can't imagine how in the world we would absorb cuts in another round," Mecca said. "We still haven't figured out the implications from the last round."

Scott Plotkin, executive director of the California School Boards Association, said lawmakers "might as well stay home" if they are planning to make up the latest shortfall with cuts alone. His group and other school organizations believe the state should use tax increases to balance the budget.

"If they come back into a special session because revenue projections are in decline for the current year budget, it probably could only mean bad news for schools unless they're inclined to have a conversation about new revenues," Plotkin said.

Henderson, the federal judge, rebuked state leaders Monday for failing to fund new inmate medical care facilities. The court-appointed receiver, J. Clark Kelso, has requested $8 billion, including $3 billion by July 1.

Henderson did not hold Schwarzenegger and state Controller John Chiang in contempt for failing to pay the money, but he suggested he is likely to force the state to pay $250 million as a first installment.

SacBee.com

10/7/08

Dan Walters: Even with loan, California finances are upside-down

By Dan Walters

California's political leaders sighed with relief last week when Congress passed the $700 billion bailout of the banking industry, hoping that banks now will lend the state $7 billion this month to stave off a cash crunch – but their semi-optimism is misplaced.

Not only is the $7 billion short-term loan still up in the air, but the budget it finances is, by any rational standard, already upside down.

Gov. Arnold Schwarzenegger will meet with legislative leaders this week. The topics will be the looming cash crunch, the sagging economy that is likely to throw the precariously "balanced" budget back into the red, and bringing the Legislature back to Sacramento for more political angst over spending cuts or revenue increases.

This budget's base-line revenue estimates are 5 months old and assume that the economy would be beginning to pick up by now. Instead of picking up, however, the economy is eroding quickly – and California is faring far worse than the nation as a whole because of the housing industry meltdown.

California unemployment hit 7.7 percent in August, up sharply from a year earlier and one of the highest rates in the nation, adversely affecting income taxes. Sales of autos and other retail goods are plummeting, which dampen sales taxes. And every major economic forecasting group sees nothing but bad economic news ahead for California.

Given those trends and the state's tendency to underestimate the effect of economic swings both up and down, a horseback guess would be that the budget signed just last month after many weeks of delay is $5 billion or more upside down already and that the 2009-10 budget that Schwarzenegger will propose in January is already $10-plus billion in the red.

Even if the $7 billion loan (which must be repaid by next June) is arranged, it's probably not enough to get us through this fiscal year without some additional cuts in spending or some additional increases in revenue, whether it's more tax and bookkeeping gimmicks or real revenue from real taxes.

In brief, California's fiscal house of cards is tumbling or, to use another timeworn cliché, its chickens are coming home to roost. Years of ignoring the state's structural deficit, even when the economy was humming, are haunting us and our politicians.

Al Checchi, an airline executive who ran for governor of California 10 years ago, only to lose the Democratic nomination to Gray Davis, hit the nail squarely in a recent newspaper op-ed piece, to wit:

"The self-delusion manifested in the manner that California 'balanced' the current fiscal year budget, the myopia involved in ignoring the magnitude of future year shortfalls, and the abdication of fiscal responsibility in failing to provide a feasible basis for funding the long-term pension and health care obligations promised California's public employees, make Wall Street executives, by comparison, paragons of fiscal responsibility."

The Chronicle of Higher Education

10/7/08

Many Community-College Students Miss Out on Aid—Because They Don't Apply

By BECKIE SUPIANO

Community colleges serve a large proportion of low-income students each year, but nearly 40 percent of their full-time students don't even fill out a Free Application for Federal Student Aid.

Many of even the poorest students—those with family incomes of $0 to $9,999—do not apply for federal aid. For example, 29 percent of dependent students in that income range do not apply.

Students offer a number of reasons for not making that effort, according to a report, "Apply to Succeed: Ensuring Community College Students Benefit from Need-Based Financial Aid," released Monday by the federal Advisory Committee on Student Financial Assistance.

Some don't think they are eligible, others say they have enough money to cover the cost of college, and a small percentage say the Fafsa was too complicated, according to data from the 2008 Community College Survey of Student Engagement cited in the report.

Whatever the case, many of those students may be missing out on need-based aid.

"The missing information is who are they, how do you find them, and are they really eligible?," said Debra Bouabidi, director of financial aid at Rockland Community College, in New York, who was interviewed for the report.

The new report is a project of the nonpartisan advisory committee's yearlong Community College Initiative, which sought to improve the pathway from starting at a community college to earning a bachelor's degree. The report synthesizes data from several studies and adds information from interviews of 45 community-college financial-aid administrators.

Identity Issues

Alicia C. Dowd, who studies community-college students, said that many of those students may not apply for aid because they see themselves as workers, not students. "Part of understanding what it means to have financial aid is seeing yourself as a student, there for the long term in college," said Ms. Dowd, a co-director of the Center for Urban Education at the University of Southern California.

Indeed, students who do not complete a Fafsa usually pay by working or taking out loans. Many community-college students work long hours to avoid debt. According to the report, about a third of the lowest-income, full-time students at community colleges work 30 hours or more a week—even though most would qualify for Pell Grants. Perhaps the most important reason for these students to apply, the report says, is that financial aid might allow them to work fewer hours, stay in college, and graduate.

For students who do still want to work their way through college, recent changes in financial-aid regulations make it more attractive for them to apply for aid. That is, if they know about the changes.

Those changes, passed as part of the 2007 college-cost reduction act, raised the income cap, to $30,000 from $20,000, under which students or their families automatically don't have to contribute toward college costs. That figure has also been linked to the consumer price index, so the cap will go up each year.

The law also increased students' income-protection allowance, meaning students who work won't be penalized as much in need calculations. The act also increased the size of Pell Grants and removed a rule that limited the size of grants at less-expensive institutions.

But aid administrators who participated in the advisory group's survey said that students and parents do not seem to be aware of the changes and that there is no coordinated effort to inform them.

States could help by encouraging high schools to have all of their seniors fill out the Fafsa. The report also suggests having states educate high-school counselors, who may be advising lower-income students to work and attend community college part time.

Meanwhile, community colleges need to improve their data collection to understand why their own students don't apply for aid, the report says. And they could encourage their students to scale back the number of hours they are working.

The Chronicle of Higher Education

10/10/08

Community Colleges Seen as Source of Engineers

By JEFFREY BRAINARD

Engineers in America are too scarce and too white. That complaint comes from corporate chieftains and education leaders alike, who see those shortfalls as a virtual guarantee that jobs and innovation will head overseas. Now many are looking to remedies to both problems from an unsung source: community colleges.

Thanks to low tuition, overall enrollment is rapidly growing at two-year colleges. It is going down, however, in colleges of engineering at four-year institutions. And while just 12 percent of baccalaureate engineering degrees are awarded to African-American, Hispanic, or American Indian students, community-college students include large numbers from those groups who are potential engineering recruits.

"There is a lot of hidden talent at community colleges ready to jump into these degree programs, and we have to help them succeed," said Jim Vanides, program manager for global education grants at the Hewlett-Packard Company, the computer manufacturer, which has financed projects to help engineering students at two-year institutions. "We have high-tech companies," including his, "saying, 'We don't have enough trained people.'"

But the road leading a two-year engineering student to be a full-fledged engineer has proven to be rough because it travels through four-year degree programs. Universities' requirements for transfer credits vary, sometimes in unpredictable ways, making admissions hard and forcing some students to repeat course work. Even a little additional time and expense can force some of those students, who are frequently from lower-income families, out of engineering altogether.

A few states, such as Maryland and California, have launched broad efforts to smooth the transfer process. But such efforts are rare, and money to pay for them is tight, which irritates their advocates.

"What I've been saying is, okay, we know the gathering storm is coming — now we have to build the ark," says Oscar F. Porter, who leads such a program in California's community-college system. "At some point, you have to fund the guy with the hammer and the nails."

Benefits of Expansion

The warnings that America faces a shortage of homegrown engineers remain controversial because past predictions have been wrong. But educators generally agree that providing more people with an opportunity to study engineering will help produce the very-best engineers and a more tech-savvy work force.

When engineering students transfer from two-year colleges, they perform quite well. They earn better grades and graduate at slightly higher rates than those who started at the four-year institutions, according to research by the Department of Education and individual universities.

The challenge is getting them to switch to four-year institutions in the first place. Across all disciplines, only about one-third of students who enroll in public, two-year colleges eventually transfer, according to a 2003 report from the Department of Education.

Montgomery College, in suburban Maryland just north of Washington, is one example of how this problem affects engineering students, and it is trying to do something about it. Montgomery has 900 budding engineers, making it the largest such two-year program in the country. The institution also has a close, longstanding relationship with the engineering college at the University of Maryland at College Park, located just 12 miles away.

Still, only about 75 students transfer annually. (Most of them go to College Park.) To boost this number, officials from across Maryland's public and private institutions are trying a novel approach: a single, statewide agreement governing the articulation, or transfer of credits, for engineering students from two-year institutions. The agreement is modeled after an existing one Maryland developed for schoolteachers. A draft of the engineering deal, which would be the first of its kind nationally, was unveiled last month for comment.

The broad approach is unusual because such pacts are typically negotiated individually, between single fourand two-year colleges. The resulting lists of courses vary widely, even though engineering educators largely agree on what students in each engineering subdiscipline should learn during their first two years.

Instead of course lists, Maryland's agreement defines analytical skills and areas of knowledge expected of prospective transfers. Participating two-year colleges would ask their governing board, the Maryland Higher Education Commission, to certify that their courses leading to an associate degree in engineering provide students with all of those "learning outcomes." Participating four-year institutions would, in turn, agree to accept all of the credits earned by those graduates.

No One Size Fits All

The draft was hammered out over two years by faculty members from most of Maryland's twoand four-year institutions, both public and private. If approved by the higher-education commission, it could take effect next fall.

Given the differences in opinion across so many colleges, crafting such an agreement is "not an easy thing to do," says Richard Cerkovnik, who directs a science-and-engineering center at Anne Arundel Community College and helped lead the statewide faculty committee that created the draft. The cooperation, he said, "was very phenomenal."

The draft document does not provide a guarantee of admission, however. Participation by institutions will be voluntary. And four-year institutions can still set their own minimum grade-point averages required for students to get in.

What is more, the agreement would only cover two subdisciplines, electrical and computer engineering. Educators decided to focus on these areas because state officials projected that Maryland faces a bigger shortfall of baccalaureate recipients there — nearly 600 a year through 2014 — than in any other occupations studied.

Another limitation to the plan is that only some of Maryland's 16 community colleges appear equipped to participate. Just half of the colleges now offer an associate degree in engineering designed for students who want to earn bachelor's degrees.

Other colleges may not have enough interested students, qualified faculty, and laboratory equipment to generate candidates who can meet the transfer requirements, Mr. Cerkovnik acknowledges. But if the statewide plan is ratified, it will give those institutions guidance to develop their courses, Mr. Cerkovnik and other participants say. And eventually that could produce a bigger pipeline to four-year degrees.

Effective Advising Needed

It will, that is, if students in that pipeline get adequate financial aid and effective mentors and academic counselors. Clear rules about course work and credits are not enough, according to a 2005 report from the National Academy of Engineering on community-college transfers.

Donald K. Day, a professor of physics and engineering at Montgomery College, tries to be such a mentor. Mr. Day traveled to Atlanta in 2006 to visit seven of his former students who had transferred to the Georgia Institute of Technology, with which Montgomery maintains an articulation agreement. He took them out for dinner to catch up on their progress.

"I made it clear that Montgomery College remembers them and is proud of their achievements," he says.

Back in Maryland, he frequently badgers his counterparts at College Park to admit his students when their grade-point averages are mediocre because of some low marks in nonengineering courses.

A Model in California

The 2005 National Academy report also praised efforts that help build support networks among students. That is one hallmark of a program developed by community colleges in California since 1993 that garnered corporate partners and has gone on to inspire similar programs in several other states.

The MESA Community College Program now operates in 31 of the state's 109 community colleges. The program pays colleges to run academic workshops and supports industry advisory boards. On each campus, it equips a "student study center" where engineering and science students are encouraged to study together, which research has shown tends to bolster their grades.

Each campus in the program gets $81,500 annually from the California Community Colleges Chancellor's Office and must match that money with its own funds.

More than 500 participating students annually transfer to four-year institutions, mostly California's public ones; nearly 40 percent of them study engineering. The 500 represent 5 percent of all transfers from community colleges to four-year institutions in engineering and science statewide.

Impressed with that result, Hewlett-Packard provided $658,000 in 2004 to replicate the model at eight two-year colleges in five states. The grants ran out last year, but those institutions have continued to finance them. Money for this kind of program remains hard to find, however.

In California, each campus's award of $81,500 has remained flat even as the number of students who could benefit has increased. Mr. Porter, executive director of the program's parent, the Mathematics, Engineering, Science Achievement program, tried to look for federal financing. But he says he wasn't able to get money from the National Science Foundation for his project because it lacked key elements that the NSF usually looks for: a lead campus and a principal investigator seeking to test innovations in education.

LADailyNews.com

Community college building bond is a good idea with bad timing

Article Last Updated: 10/08/2008 11:02:23 PM PDT

The Los Angeles Community College District's nine campuses - including Pierce, Mission and Valley colleges - do an excellent job preparing students for new careers and to transfer to four-year institutions, as well as filling in LAUSD's educational failures.

But their request to continue the system's flow of bond money via Measure J comes at the wrong time.

Advocates of Measure J, which will allow the sale of $3.5 billion in construction bonds, point to a record of well-run, well-built projects at our community colleges that resulted from previously approved Measures A and AA. They are correct.

Further, they argue that passing Measure J will not increase anybody's property taxes and will simply extend the funding level of $17 per $100,000 in assessed value for an additional decade.

But these days, nothing is that simple.

With the world economy in free fall, home values in the tank and fiscal uncertainty the word of the day, people are looking to lower their spending - including property taxes. And we can't in good conscious suggest they add to their burden when the long-term financial outlook is so uncertain.

The colleges did well with Measures A and AA, building several new buildings. But simply having a tax in place is not enough reason to continue it, come the proverbial hell or high water.

Among the things Measure J would fund are additional solar-covered parking lots, new buildings for "green" studies and digital arts at Pierce, a performing arts center at Valley and new media arts centers at Valley and Mission - along with many more construction and renovation projects.

That's a lot to swallow when people don't know if they're going to be able to pay their mortgage, much less their property taxes.

It's just not a good time to saddle homeowners with an additional decade of bond debt.

The Daily News has consistently supported construction projects at our community colleges, and will surely do so again. But what looks like a wish list after a long building boom can and should wait until the economic skies start to clear.

SFGate.com

City College misused funds, probe finds

Stephanie Rice,Lance Williams

Thursday, October 9, 2008

The chancellor of City College of San Francisco steered more than $28,000 in public funds into political campaigns for two state education measures, an internal investigation has found.

The financial transactions, made at the direction of then-Chancellor Philip Day in 2006, appear to have violated state laws against misusing taxpayers' funds and concealing the true source of political donations, according to a draft report written by a law firm hired by the college's trustees.

In an interview, Day denied misusing college funds or misreporting donations.

"That did not happen," Day said Tuesday. "That is not true." He said he had not seen the report and had not been told of its findings.

The report, which was written earlier this year by the law firm of Renne, Sloan, Holtzman & Sakai but was not made public, suggests a continuing pattern of campaign finance abuses at the 110,000-student college.

Prompted by disclosures in The Chronicle, a grand jury is investigating City College officials on suspicion that they funneled public funds into a 2005 City College bond campaign, college records show.

The new abuses uncovered by the law firm unfolded in this way, the report says:

Before the November 2006 state election, the report says, Day ordered that a $28,670 payment owed to the college by the PepsiCo beverage company be deposited with the Foundation of City College of San Francisco. The foundation is a charitable nonprofit organization that raises money for college programs.

Then, the report says, Day told the foundation to donate the money to two state education initiatives: Proposition 1D, a successful 2006 education bond issue, and Proposition 92, a measure to boost funding for community colleges that failed at the polls in 2008.

In a second transaction before the 2006 election, the report says, Day told an aide to transfer $7,000 to the foundation from the nonprofit corporation that operates the college bookstore. At the chancellor's request, the foundation used that money for donations to the two education measures as well, the report said.

State law forbids spending taxpayers' funds on political campaigns, and it requires political donors to report the true source of funds they contribute. Both laws appear to have been violated, according to the report.

Day, who became chancellor in 1998, resigned in March to head the National Association of Student Financial Aid Administrators, based in Washington, D.C.

In a phone interview, he said he had never steered college funds to the foundation for use in political donations. The foundation was well-funded and legally entitled to make political donations, he said. Thus, he said "it wasn't necessary" for him to funnel funds to the foundation for donations, as the report alleged.

Day also denied the report's assertion that he told an aide, Stephen Herman, that the PepsiCo money was to be used for donations for statewide campaigns. "I don't know where they got that information," Day said.

Day said he did not speak to the law firm's investigators, saying they were still trying to find a mutually convenient date for an interview. The report said Day declined an interview, saying his lawyer advised against it because of a pending investigation by the San Francisco district attorney's office.

The Renne law firm, whose partners include former City Attorney Louise Renne, often does legal work for the college. Trustees asked the firm to investigate the 2006 donations in March, after the San Francisco Bay Guardian reported on an internal audit that noted an apparent link between the college's payments to the college foundation and the foundation's donations to the state education bond campaign.

Trustees have discussed the report privately but have never released it. The Chronicle reviewed a copy provided by a confidential news source.

A scandal unfolds

Political scandal first flared at the college last year, when The Chronicle reported on donations in the successful city campaign to pass a $246.3 million college bond issue in 2005. Before that election, the owner of a motorcycle training school that rented a parking lot from the college was told to write a $10,000 rent check to the political committee that was promoting the bond measure, the newspaper reported.

The official who steered that donation, Associate Vice Chancellor James Blomquist, said he had thought the transaction was proper.

Also in 2005, coffee shop owner Vannarith Nget, who had recently won a contract to open an outlet in a downtown college building, made a $20,000 lease payment to the bond political committee instead of to the college. Before the election, the political committee refunded the money to Nget, who then paid the money to the college, Day said at the time. A grand jury is investigating these donations, college general counsel Ronald Lee recently wrote to trustees.

According to the law firm's report, further fundraising abuses occurred in 2006, as the Community College League of California, a lobbying group, began drumming up support for what would become Prop. 1D, a $10.4 billion education bond, and Prop. 92, the community college fund increase. Day told the league he would raise $70,000 for the two campaigns, the report says.

Meanwhile, in September 2006, the college learned it would receive a windfall of at least $24,000 from PepsiCo to make up for underpayments on a contract to sell beverages on campus.

The report says Chancellor Day told Herman, his aide, to instruct PepsiCo to make its payment to the Foundation of City College. Day told Herman the money would help fulfill his fundraising commitment to the lobbying group, the report says. On Oct. 25, 2006, PepsiCo wrote three checks to the foundation totaling $28,670.

At about the same time, Day told Herman to transfer $7,000 from the nonprofit City College Bookstore Auxiliary, which operates the campus bookstore, to the foundation, the report says. Herman serves as president of the bookstore auxiliary as part of his college job. Herman also obtained $3,000 from Nget, the coffee shop owner who was involved in the 2005 donation. At Day's direction, Herman paid that money to the foundation as well, the report says.

The day before the election, at Day's request, the foundation donated $35,000 to Prop. 1D, the report says. Three weeks later, again at Day's request, the foundation donated $35,000 to the Prop. 92 campaign, the report says. The report suggests that $38,670 of the $70,000 donated on these two occasions came from PepsiCo, the bookstore and the coffee shop owner, while the rest represented money the foundation had raised.

But Day said he never told Herman to use college funds for donations.

High-level discomfort

When the PepsiCo windfall became available, he said he decided, "for now, let's put it in the foundation," where it could be used to fund student programs. He said he didn't recall transactions involving the coffee shop and the bookstore but noted that the bookstore had the legal right to make political donations.

Other college officials were uneasy about the transactions, the report says. Before the election, college Chief Financial Officer John Bilmont and Vice Chancellor Peter Goldstein discussed the PepsiCo money and agreed "the money could not go to the foundation," apparently for legal reasons, the report says. Goldstein said he would discuss the matter with the chancellor, the report says, but the transaction went ahead anyway.

New concerns arose after The Chronicle's story was published last year. After talking to Day, Vice Chancellor Goldstein ordered the $28,670 PepsiCo payment retrieved from the foundation and put in City College's accounts, the report said. In addition, $7,000 was repaid to the bookstore and $3,000 to the coffee shop owner, the report says. Day said he did not recall why the foundation repaid the money.

The report recommended that college trustees alert the district attorney, the state attorney general and other agencies that enforce clean-government laws about the donations.

Diverted donations

November 2005: A college official tells the owner of a motorcycle school that rents a college parking lot to make a $10,000 rent payment to the political campaign promoting a $246.3 million City College bond measure.

Summer 2006: The Community College League of California asks Philip Day, chancellor of City College of San Francisco, to raise $70,000 for Proposition 1D and Proposition 92, state measures to help community colleges.

Oct. 25, 2006: PepsiCo writes three checks totaling $28,670 to make up underpayments for campus beverage sales. At Day's direction, the checks are made out not to the college, but to the Foundation of City College of San Francisco.

Nov. 3, 2006: Day directs an aide to send the PepsiCo checks to the foundation. Day says the money is for "donations for statewide campaigns." Day denies making the statement and says he did not misuse college funds or misreport donations. The same day, an additional $10,000 is also transferred to the foundation - $7,000 from the nonprofit City College Bookstore Auxiliary and $3,000 from the owner of a campus coffee shop.

Nov. 6, 2006: At Day's request, the City College foundation donates $35,000 to the campaign for Prop. 1D. The measure passes.

Nov. 30, 2006: At Day's request, the foundation donates $35,000 to Prop. 92. The measure is defeated in February 2008.

Damage control

April 10, 2007: Four days after The Chronicle reports that City College funds had been diverted into the bond campaign, Day tells trustees he will make sure no other diversions have occurred.

April 11, 2007: After speaking to Day, Vice Chancellor Peter Goldstein orders $38,670 retrieved from the foundation. Of that, $7,000 goes to the bookstore, $3,000 goes to the coffee shop and $28,670 goes into the college's accounts.

June 11, 2007: Trustees hire Sacramento lawyer Steven Churchwell to investigate the political fundraising abuses reported by The Chronicle. Although he interviews Day, he does not learn about the checks from PepsiCo, the bookstore or the coffee shop.

March 2008: After the San Francisco Bay Guardian reports on an apparent link between the college's payments to the foundation and the foundation's 2006 political donations, trustees hire the Renne Sloan law firm to investigate.

Sources: Draft report by Renne, Sloan, Holtzman & Sakai law firm; Chronicle interview with Philip Day

The Chronicle of Higher Education

10-9-08

Credit Squeeze Exposes Weaknesses in College Investment Strategies

By GOLDIE BLUMENSTYK and KELLY FIELD

The credit crisis tying global financing systems into knots has left hundreds of colleges scrambling for cash to pay their bills and to cover the spiking interest on their debts.

While it is still unclear to what extent the federal government's new $700-billion bailout package will help unwind the credit tangle, the crisis has exposed weaknesses in policies and management that left some institutions more vulnerable than they should have been. A few have already halted construction projects in midstream because of the higher cost of borrowing. Others are considering faculty or pay cuts.

"What happened in the last six months so fundamentally changed the rules of the game," says Stephen T. Golding, executive vice president for finance and administration at Cornell University. "If the credit markets and the banks are not going to stand by you, your risk tolerance may be less than what you thought it was."

At the same time, bankers who do business with colleges and academic medical centers note that as a sector over all, higher education is faring better than other industries, even if colleges are finding they're paying more for credit.

"They're not happy about it, but they can manage through it pretty effectively," says John Augustine, a managing director of Barclays Capital, the British bank that bought the North American arm of Lehman Brothers when it went bankrupt in September. He said one reason colleges have not been frozen out of the credit markets altogether is that investors understand that most colleges' debt obligations relative to their overall budgets remain well below 10 percent.

Risk Tolerance

Across the board, the credit crisis has been Topic A for college administrators and their trustees in recent weeks.

Already, college leaders who rarely if ever thought about their relationships with their bankers, the need for diversification in how they borrow money, or the risks they might be taking on with their floating-rate debt, are quickly recognizing the dangers of such inattention.

“There’s going to be a call for colleges to get back to a risk-management approach” with their debt, predicts Richard Staisloff, vice president for financial affairs for the College of Notre Dame of Maryland.

Some colleges were in investment funds and didn’t understand that the money could be tied up. Now, says Mr. Staisloff, governing boards will be saying, “We need to know more.”

He is referring to the shock that hit nearly 1,000 colleges last month when Wachovia bank froze accounts they had invested in through Commonfund, leaving institutions unable to access billions of dollars in short-term funds they depend on for salaries, campus construction, and debt payments (*The Chronicle,* October 10).

While the accounts have since become more liquid—colleges can now get to more than 40 percent of their money—the surprise move by Wachovia has led many colleges to reconsider their investment strategies.

“We have to look at the underlying security of where we’re putting our money,” says Lynne B. O’Toole, vice president for finance at Endicott College, in Massachusetts. “We all thought this Commonfund short-term fund was safe, and lo and behold, it wasn’t.”

Restricted Borrowing

Wachovia’s abrupt move wasn’t the only source of surprise.

The tightening of credit markets is making it harder and more expensive for some colleges to obtain lines of credit from banks, a problem for many smaller institutions, which often depend on such credit to help manage their cash flow.

Still, for hundreds of colleges, the biggest problem remains the sharp rise in interest rates on the variable-rate debt, which shot up to historic highs in late September. For some institutions, that has meant millions of dollars in unexpected costs.

Figures on overall use of such debt, which colleges use to finance new residence halls, academic buildings, and athletics complexes, are not available. But, according to Moody’s Investors Service, the 290 private institutions it rates held about $25-billion in such debt as of June 2007, or about 39 percent of their overall debt load.

Heidelberg College, in Ohio, is struggling to resell a portion of the $17-million in variable-rate bonds that investors have “tendered,” or returned, to the institution.

The bonds were part of a pool of $145-million issued by more than a dozen small private colleges in Ohio and all backed by a letter of credit from the Fifth Third Bank. As investors across the country became more and more squeamish about the safety of regional banks like Fifth Third, bonds backed by its credit became harder to sell.

In response to the difficulties that Heidelberg and others encountered, the bank offered to suspend for 90 days a hike in interest rates that would have gone into effect if the bonds were not resold in five days.

"The intent was to really give these institutions some extra time" to find suitable buyers for their bonds at reasonable prices, says John Rolander, fixed-income trading manager for Fifth Third Securities, the investment arm of the Cincinnati institution. He does not know how many other colleges are finding resistance to their bonds.

Insulated … for Now

Colleges that converted their variable-rate bonds into fixed-rate debt through a hedging technique known as "swap agreements" with banks have been more insulated from the market fluctuations. While colleges with such agreements may have paid more for that protection when interest rates were low, they are paying considerably less now that rates are high.

And in the turmoil of recent weeks, some colleges found that even the hedging techniques they used to shield themselves from fluctuating interest rates wouldn't protect them in the most volatile of markets.

The University of San Francisco, which has swap agreements on most of its roughly $160-million in debt, nonetheless saw interest rates climb from 1.4 percent to as high as 8 percent in September. To put that growth in perspective, consider that each 1-percent increase in the interest rate on $160-million is equal to $1.6-million in interest a year.

Wealthier institutions, which can sell bonds based on their own creditworthiness, are suffering less, says Cornell's Mr. Golding. "People want to hold Cornell paper, want to hold Harvard paper, want to hold Princeton paper," he said, although even for his institution, he noted, interest rates have ticked up by about one percentage point.

John D. Walda, president of the National Association of College and University Business Officers, says colleges that relied on variable-rate bonds weren't taking undue risks. "Most of this wasn't foreseeable," he says. It's the result of "a breakdown in the banking system and the regulatory system." Even so, he says new realities require new thinking.

Before the crisis hit, maximizing return took precedence over liquidity for colleges, he says. "Now the priorities have switched."

Linda Fan, managing partner with Prager Sealy & Company, a financial advisory firm that works with dozens of colleges, says the crisis points up the need for more colleges to develop overall policies for their debt, just as they do for their investments.

In some cases, colleges just view the financing for each construction project in isolation, she says, and "they end up with a bunch of different transactions rather than a debt portfolio" guided by policies that might govern the mix of debt or the debt load relative to overall resources.

Mr. Staisloff, of the College of Notre Dame of Maryland, says there are other lessons as well. “It reinforces how important it is to have a great relationship with your bank,” he says. “You don’t want to be out looking for new friends and new money when times are bad.”

Brad Wolverton contributed to this article.

The Chronicle of Higher Education

October 10, 2008

Emory's President Offers Reassurance and a Plea for Savings

By KATHRYN MASTERSON

As colleges consider how to weather the economic turmoil roiling the nation, Emory University's president is asking faculty and staff members to consider where they can make cuts now in anticipation of a flat budget next year.

In an open letter to Emory employees, President Jim Wagner says that the university's financial situation is relatively healthy but that cuts will be necessary in some areas to keep the university strong.

"Ensuring that Emory's momentum and positive trajectory continue will require clear understanding, discipline, and prudent trade-offs," he writes.

Emory's administrative budgets are not expected to increase for the 2010 fiscal year, he says. Because the university wants to continue to offer faculty raises and competitive salaries, its schools and departments need to think about other areas they can trim now to offset those expenditures in the next budget.

Mr. Wagner suggests departments could let empty positions stay open and cut back on special events or travel expenses. He also suggests reducing paper usage, even forgoing holiday cards, "though abundant good cheer is necessary," he says.

Mr. Wagner told *The Chronicle* on Thursday that he wrote the letter in an attempt to be open about the issues facing Emory, as well as to encourage people to come up with suggestions for how the university could cut nonessential costs. He said he has already received several e-mail messages with suggestions.

He acknowledges that small savings—like those from eliminating holiday cards or parties—won't solve the challenges caused by the credit crunch, falling stock values, and increased financial needs of students. But such efforts do make a difference, he said, and help people think broadly about essential and nonessential spending.

"It's very serious," Mr. Wagner said, noting that Emory is in the middle of putting in place a strategic plan to foster the university's growth. "There's a concern we won't be able to work toward our vision and full potential at the same pace."

Emory has no plans to slow down the $1.6-billion fund-raising campaign that kicked off its public phase last month and has raised $838-million in the past three years, Mr. Wagner says.

“If anything,” he writes, “now is the time to redouble our efforts to secure private funding for our future and to offer opportunities for donors to invest in ways that produce dividends of the sort not available in financial markets.”

The Telescope.com

10/13/08

MiraCosta put on probation

By Maggie Avants

MiraCosta College is on academic probation and it has some students worried.

Kim Pinkerton, a former MiraCosta student who was registered for the fall semester, said she felt it was in her best interest to withdraw from MiraCosta and is now attending Palomar.

"It was a mess, but I got most of the classes I needed," Pinkerton said.

MiraCosta was placed on warning status by the Accrediting Commission for Community and Junior Colleges in January 2008. In a letter dated Jan. 31, 2008, ACCJC explained they had acted to issue a warning to the school until they corrected deficiencies in recommended areas

MiraCosta and Palomar administrators said a warning from the state's accreditation system will not affect the value of a student's degree.

Palomar College President Robert Deegan said the situation at MiraCosta is not something that students should worry about.

He explained that each college goes through a self-study every six years, followed by a site visit. Palomar is currently preparing for its site visit in March 2009. The last time Palomar went through the process was in 2003.

"They were placed on a warning status," Deegan said of MiraCosta. "It's very common. Out of 18 schools that recently went through site visits, only four of them came out without a warning."

He knows of only one college, Compton College, that lost its accreditation, and they were subsequently taken under the wing of the El Camino Community College District.

"None of those [Compton] students ever lost any of their credits," Deegan said.

MiraCosta's problems began in December 2005, according to a 2007 Special Visit Evaluation Report by a four-person visiting team from ACCJC.

According to the report, the visit was prompted by 17 months of "significant tension and turmoil" at the college due to the investigation of four college employees who were placed on leave for allegedly selling palm trees from the school's horticulture department for personal profit.

"We have had some turmoil on campus, and it has been covered by the press," said Bonnie Hall, director of marketing and communication at MiraCosta College.

The report stated that the college's administration was divided on the handling of the investigation, which resulted in a no-confidence vote in the college's president and board of trustees, and that campus surveys showed that "morale was at an all time low."

But the report also stated that the college as a whole had maintained "an admirable resiliency and dedication to its core mission."

Three recommendations were made to MiraCosta in the report. The first involved providing evidence of student learning outcomes. The second suggested greater participation throughout the administration in the school's mission, vision and values. The third was that the board establish an agreement about its rules, regulations and protocols.

ACCJC sent another warning letter to MiraCosta on June 30, 2008, which placed a deadline for the school to meet the criteria by the next scheduled visit in March 2009.

Officials at MiraCosta said they are optimistic about the timeline.

"We took immediate action when we received the letter," Hall said. "We fully anticipate that all of the three recommendations will be completely addressed by the March 2009 visit."

Hall said that all of the college's classes are accredited and they are accepted for transfer. This coincides with ACCJC's assurance in its letters that the college will remain accredited during this time.

For Palomar's accreditation process, Deegan said he is familiar with the standards of accreditation as he has gone through it many times during his 20 years in administration. He added that accrediting commissions are trying to hold people more accountable.

"Accreditation is good and it assures students that the college they are attending has met certain standards," Deegan said.

Palomar is currently on draft five of its self-study, according to officials.

"What we do is we take a snapshot of ourselves in all areas, according to the guidelines provided by ACCJC, and then provide documentation to support our findings," Deegan said.

As for MiraCosta, Deegan said, "They are our sister college, our good friends, and they are still fully accredited."

Hall said despite the warning, MiraCosta has seen an 11 percent increase in enrollment this semester.

"We hope they are doing well and were able to get the classes they needed," she said, "and they are welcome to come back anytime."

The Chronicle of Higher Education

10-17-08

Obsession With Rankings Goes Global

As universities compete harder for students and professors, they look more closely at their international standings

By AISHA LABI

A Chinese list of the world's top universities would seem an unlikely concern for French politicians. But this year, France's legislature took aim at the annual rankings produced by Shanghai Jiao Tong University, which claims to list the 500 best universities in the world. The highest-ranked French entry, Université Pierre et Marie Curie, comes in at No. 42.

Outraged by France's overall weak showing in the rankings, which are dominated by American and British institutions, the French Senate issued a report arguing that the researchers were clearly biased in favor of English-speaking institutions.

Gallic pride aside, the legislators' concern underscores a fundamental change in higher education. Simply put, it has become an international enterprise. The flow of students, researchers, and money now takes place on a global scale.

As a result, people are paying close attention to where their institutions end up in international as well as national rankings, however flawed they may be.

"Rankings are now part of the landscape, whether we like it or not," says Pierre de Maret, a former rector of the Université Libre de Bruxelles and a board member of the European University Association.

He is no fan of the methodology used by the Shanghai rankings, but, he concedes, the list "has had a direct impact at the government level and has really shaken things up."

Apportioning the Money

Some governments and universities use rankings to help determine how much public money the institutions receive and how that money is spent. In Malaysia, after two midranked universities slid down the charts of a popular listing put out by Britain's *Times Higher Education,* a weekly magazine, the prime minister set up a national committee to see how the country's public universities could raise their international standing. One of the two institutions, the University of Science, Malaysia, hired a British consultant to examine the publication's methodology for possible bias.

Growth in the number of universities looking to set up international partnerships also fuels the rankings obsession. Most administrators want to be certain that they are forging links with institutions of equivalent heft.

International-rankings tables, which did not even exist a decade ago, are also increasingly used by the world's roughly three million international students to decide where to study.

"Rankings have gone global at exactly the same time that universities are fighting over global students as a resource," says Robert J. Coelen, vice president for international affairs at Leiden University and founder of a regularly held international symposium on rankings at Leiden.

Shanghai Jiao Tong University and *Times Higher Education* put out the two most-watched international listings. More than 30 countries also produce some sort of national rankings system, says Thomas D. Parker, a senior associate at Washington's Institute for Higher Education Policy, which has been outspoken in the rankings debate.

Shaping Policy

Regardless of the methodology or metrics, the same handful of institutions tend to dominate the top 25 places of the various tables, and they will very likely always attract the best international students.

It is at the next level that the rankings effectively come into play, says Mr. Coelen.

For a university like his, ranked 76th by Shanghai, "we're interested in talented students in the next batch," he says. Well-regarded institutions in the top 100 or so, like Leiden, "are being helped by the rankings system. We know students use it, and that they start looking farther down the ladder if they don't get into the top tier."

The Shanghai list, which first appeared in 2003, was the first globally focused ranking of universities and quickly came to dominate the new field. For Europeans, the Chinese table has driven home the message of just how wilted the continent's academic laurels have become.

Because European universities are still almost entirely subsidized by public money, a higher-education sector that is perceived to be failing to measure up to international competition becomes a political liability.

In France and Germany, Shanghai's focus on research prowess has been a backdrop to discussions about how to better integrate scientific research — historically the preserve of specialized institutes — and higher education.

Germany reached a recent decision on dividing nearly two billion euros among designated universities largely on the basis of how strong they were in research.

In France, a central goal of a new law intended to shake up the higher-education system is increased collaboration among institutions involved in scientific research.

Rankings are also having what some critics decry as an excessively determinative effect.

In the Netherlands, a proposal to retool immigration policy to favor skilled migrants would limit the allocation of visas only to graduates of universities in the top tiers of two internationally recognized tables.

Several countries, including Nigeria and Kazakhstan, appear to reserve publicly financed scholarships for students who attend universities ranked above a certain cutoff point, according to one World Bank expert.

Gaming the System

Many institutions, especially those ranked in the middle of the lists, have begun to make key financial, administrative, and hiring decisions with an eye toward improving their scores, according to some rankings experts.

Few are willing to name names, but anecdotes abound of institutions' hiring frequently cited scientists, even if they are not necessarily the best qualified or the most well-regarded in their fields. In South Korea, the relative dearth of foreign academics and professors with international reputations is seen as the main reason that a well-regarded university like Seoul National University does not score higher than 51st on the *Times Higher Education* list.

"Korean universities have little chance to make themselves known abroad or become internationally competitive because they lack star faculty," Ahn Su-mi, the Korean education ministry's deputy director of academic-research promotion, told the *Korea Herald* this month.

The University of Tokyo, whose president has complained that international rankings do not accurately reflect the strengths of Japanese institutions, has nonetheless decided to hire more foreign researchers, in hopes of raising the university's standing.

In Malaysia, universities have been known to list ethnic Chinese Malaysians as foreign students, because the *Times'*s formula includes the number of international students as a variable.

In Australia, where universities are heavily dependent on foreign students to help balance their budgets, vice chancellors have been given bonuses for helping to push their institutions a few crucial slots up the tables.

"Rankings matter tremendously," says Daniel J. Guhr, a higher-education consultant in California whose clients include universities in Europe, Australia, and the United States. "People need to be able to contextualize, and for the first time in educational history you have the tools in hand to do so."

Mr. Guhr notes that even some American colleges that have traditionally focused solely on their position in domestic rankings, such as those put out by *U.S. News & World Report*, now pay attention to their international standing. Typically these are secondand third-tier institutions, which must compete more aggressively for foreign students.

Building a Better System

Both the Shanghai and the *Times Higher Education* lists seem to have as many critics as fans. The critics say the methodology is flawed, with Shanghai putting too much emphasis on scientific research and the *Times* on the opinions of people at peer institutions.

More broadly, there are also fundamental questions about the utility of even the best cross-border assessments by fellow academics.

When officials of Germany's Center for Higher Education Development tried to broaden its well-regarded national rankings to Switzerland's German-speaking universities, the effort fell flat.

"They found that Swiss professors knew nothing about German universities and their German counterparts, just one country away," says Mr. Coelen, of Leiden University. "How can you go around the world asking people to tell you what the top university is in your discipline when from one country to the next you cannot get a reliable result?"

Some critics are attempting to fix perceived biases by creating their own ranking systems. French rectors have thrown their collective support behind developing a European ranking that would take into consideration the strengths of institutions at which the focus is on the humanities and social sciences, and would include such criteria as student satisfaction.

Locating 'Common Ground'

The Institute for Higher Education Policy, which is trying to bring more coherence to the process, recently set up an online clearinghouse to help differentiate among the fast-growing number of ranking systems.

"We began to see how important rankings were becoming in the landscape," says Mr. Parker, a senior associate at the Washington think tank. "This is an attempt to try to establish some sort of common ground about what constitutes good practices."

A similar effort is taking place within Unesco's European Centre for Higher Education, based in Bucharest, Romania.

Two years ago, its International Ranking Expert Group endorsed a set of 16 principles of good practice. This year the group spun off a new body, the International Observatory on Academic Ranking and Excellence, that will review the various rankings tables and eventually produce a certification of sorts.

Although susceptible to manipulation and misuse, rankings have become an integral part of international higher education. Even their critics concede that they can serve an important function.

"Our concern is that they are being used as a proxy for quality, and that is sad," says Mr. Coelen, of Leiden. "As a marketer on the right side of the divide, I have to say that there is some benefit. As an academic, I have to raise serious questions about the methodology."

RANKINGS METHODOLOGY: 2 APPROACHES

The best-known and most closely tracked of the international rankings, Shanghai Jiao Tong University's **"Academic Ranking of World Universities,"** assigns scores to institutions on the basis of four factors: quality of education, quality of faculty, research output, and per capita performance.

Several measures are used to define each factor. Quality of education counts the number of alumni who have won Nobel Prizes and Fields Medals. Quality of faculty counts the number of staff members who have won such awards as well as the number of "highly cited researchers" in 21 fields. Research output counts papers published in the journals *Nature* and *Science*, as well as how often those papers are cited. Per capita performance is measured by adding up the weighted scores in the other categories and dividing the total by the number of staff members.

The **"Times Higher Education-Quacquarelli Symonds World University Rankings"** is more heavily focused on reviews by academics, which account for 40 percent of an institution's score. A survey of employers contributes 10 percent. The rankings also consider the faculty-student ratio, the proportion of international faculty members and international students, and the number of citations per faculty member.

SHANGHAI JIAO TONG U.'S 2008 RANKING OF UNIVERSITIES

TOP 20 INSTITUTIONS

1. Harvard U.
2. Stanford U.
3. U. of California at Berkeley
4. U. of Cambridge
5. Massachusetts Institute of Technology
6. California Institute of Technology
7. Columbia U.
8. Princeton U.
9. U. of Chicago
10. U. of Oxford
11. Yale U.
12. Cornell U.
13. U. of California at Los Angeles
14. U. of California at San Diego
15. U. of Pennsylvania
16. U. of Washington
17. U. of Wisconsin at Madison

18. U. of California at San Francisco
19. U. of Tokyo
20. Johns Hopkins U.

'TIMES HIGHER EDUCATION' 2008 RANKING OF UNIVERSITIES

TOP 20 INSTITUTIONS

1. Harvard U.
2. Yale U.
3. U. of Cambridge
4. U. of Oxford
5. California Institute of Technology
6. Imperial College London
7. U. College London
8. U. of Chicago
9. Massachusetts Institute of Technology
10. Columbia U.
11. U. of Pennsylvania
12. Princeton U.
13. Duke U./Johns Hopkins U. (tied)
15. Cornell U.
16. Australian National U.
17. Stanford U.
18. U. of Michigan
19. U. of Tokyo
20. McGill U.

InsideHigherEd

Oct. 13, 2008

A Taxing Question

A November ballot referendum to repeal Massachusetts' income tax has many educators scared. Though supporters of the referendum argue it would make the government more efficient and effective, detractors argue that it would put valuable public services at risk. Especially concerned are public college and university administrators, who warn that, for the state's higher education system, the consequences of an income tax repeal would be grim.

A similar referendum failed in 2002. But to the surprise of many in the state, the measure — which would have abolished the income tax immediately — received a respectable 45 percent of the vote.

This year's referendum would reduce the state's income tax rate from 5.3 percent to 2.65 percent in the upcoming year and eliminate it entirely beginning in 2010. Many fear the measure will pass this time, since it is more gradual than the 2002 measure and comes before voters at a time of exceptional concern over their finances. If the measure passes, Massachusetts would join nine other states that do not tax income. Many of those states have never had an income tax and have developed, over the years, alternative sources of income. This is not the case in Massachusetts.

The official sponsor of the referendum is the Committee for Small Government, an organization led by Michael Cloud and Carla Howell, former Libertarian Party candidates for U.S. senator and Massachusetts governor. Howell said that ending the income tax would cut $12.5 billion from the state budget and give back an average of about $3,700 per taxpayer each year. Additionally, she argued, it would force legislators to cut government waste and direct funds only toward essential services.

Funding for higher education and other fundamental government services represents a small portion of the state's budget, Howell said. She noted, however, that funding for services valued by the public would be preserved as long as the legislature elects to prioritize them in a potential spending cut. To do otherwise, she said, would be "political suicide." Howell maintained that the income tax repeal might even help some students pay off college loans and credit card and other debt by leaving them more discretionary funds.

Others in the state, however, express more concern about the referendum. The Massachusetts Taxpayers Foundation — a non-partisan organization that researches state spending — recently released a report outlining the significant changes that would take place in the event of an income tax repeal. The report notes that almost all state programs would have to be cut by more than 70 percent to adjust for the drop in revenue.

Massachusetts currently spends more than $1 billion on higher education each year. If the higher education budget were to be cut as outlined in the report, about $303 million of that would remain. This money would have to help sustain the five campuses of the University of Massachusetts, nine state colleges and 15 community colleges. These institutions rely on state money for approximately 20, 35 and 37 percent of their operating budgets, respectively. (The percentage of state appropriations for the UMass budget appears relatively small because it receives a number of federal research grants. If these grants are included as money spent on undergraduate education, the percentage of state support for UMass is considerably higher, comparable to the percentages received by the state and community colleges.)

For a system that is already experiencing budget cuts, some higher education officials argue, the consequences of another significant cut would be disastrous. Eileen O'Connor, spokeswoman for the Massachusetts Board of Higher Education, said that, although the board has not taken a formal stance on the referendum, it recognizes the serious effect it would have on the state's public institutions.

The higher education system is already underfunded by about $400 million, she said. In the absence of income-tax funded state appropriations, she added, students would likely have to pay more in tuition and mandatory fees to make up for this lack. O'Connor explained that, in Massachusetts, the state board sets the tuition for each of its 29 public institutions, and the individual colleges and universities charge their own fees — typically four to five times higher than tuition — to bolster their operating budgets.

The impact of an income tax repeal would not solely affect tuition and fees, O'Connor said, noting that it would also severely limit state capital spending at campuses throughout the system. Last year, Massachusetts approved a $2 billion bond for infrastructural improvements and building construction at all 29 public campuses. O'Connor said the tax repeal would almost certainly limit the state's ability to borrow for this capital spending and therefore halt many construction projects.

Additionally, she said, the repeal would put many financial aid opportunities in jeopardy. O'Connor noted that nearly $100 million in state financial aid is appropriated by the board. A cut in need-based aid offerings, she said, would affect both public and private institutions of higher education in the state.

At the state's flagship institution, the University of Massachusetts Amherst, some argue that an income tax repeal would change the very nature of the institution. Robert C. Holub, its newly appointed chancellor, said his campus' state appropriation would have to be cut from 27 to 7 percent and that tuition and fees would likely have to be doubled. In-state students at the flagship currently pay $10,234 in tuition and fees. Doubling them would cost in-state students slightly less than out-of-state student currently pay. Such potential changes, he said, ensure the institution's stance against the referendum.

"It would be fairly devastating to the institution, as far as the financial implications," Holub said, noting the university would have to accept more out-of-state students to bolster its budget. "We would become a different kind of institution. We would be something that would resemble a private institution and have to reconsider our mission of educating Massachusetts students. We feel this would be a bad move for the state."

The potential repeal of the state's income tax also worries some at the community college level, where institutions rely even more on state funding to keep their open-access institutions affordable for students. The trustees of Berkshire Community College, in the far west of the state, symbolically voted 10-1 for a statement expressing their opposition to the ballot referendum. The statement argued that the referendum would "jeopardize the future of public higher education in Massachusetts and Berkshire Community College in particular."

Additionally, the Massachusetts Community College Council, the National Education Association affiliated union for two-year faculty members and other professional staff, expressed its concern about the referendum in a letter to members. Donnie McGee, council vice president, noted that some academic programs would be have to be eliminated, support services reduced, and a number of campuses could shut down to make up for the lack of funding. Passage would likely lead to layoffs, the union has projected. Still, he argued there is potentially a great cost for students.

"Our mission of access would be impossible," McGee wrote. "Most students simply couldn't afford the skyrocketing fees."

Recent polls either show strong opposition to the referendum or a statistical dead heat, though more appear to oppose the measure when given more details about its possible effects. In either case, the mere talk of it passing has supporters enthused and opponents frightened.

"People are hurting in this state," said Holub. "People say, even if it would mean $20 to $30 more in their paycheck each week, they are looking at what they can gain in the short term. There's a huge backlash against politicians holding the resources they do. I think the economic downturn is hurting people so much that [this referendum passing] becomes more of a likelihood."

— David Moltz

The Chronicle of Higher Education

10-17-08

Colleges Struggle to Keep 'Smart' Classrooms Up to Date

Many institutions, especially public ones, lack the money to refresh computers and other equipment

By DAVID DEBOLT

Colleges have been building so-called smart classrooms for years, equipping them with computerized projectors, digital whiteboards, and other tools. Now some of those once-high-tech rooms are starting to show their age at many colleges.

At a facility used by three colleges in Denver, for instance, a group of high-school students competing in a History Day event recently exposed problems at smart classrooms there when DVD players failed to play the students' final projects. Event coordinators scrambled to find personal computers capable of playing the discs, which were created using a format that the center's old DVD players couldn't read.

The facility, the Auraria Higher Education Center, is used by the University of Colorado at Denver, Metropolitan State College of Denver, and the Community College of Denver.

Professors who hold classes there say that years of financial neglect have left the smart classrooms nearly unusable.

Carl Pletsch, assistant professor of history at the university, says the situation has gotten so bad that administrators "are now discouraging faculty members from using technology because they can't predict if it is going to work."

A survey, conducted last spring and e-mailed to the center's staff two weeks ago, showed professors' frustrations with classroom equipment. Among those polled, 39 percent said they were dissatisfied with classroom equipment while another 39 percent were satisfied. "The smart classrooms are now dumb," wrote one professor in the comment area of the survey. "They have not been upgraded or adequately maintained."

Mr. Pletsch oversaw the creation of the smart classrooms in 2001, as part of a project in which around 200 classrooms were given a technological facelift thanks to $15-million in state funds. Mr. Pletsch's idea was to equip every classroom with identical technology to simplify purchasing software and maintenance.

But there was no money allocated for the updates, he says.

In recent years, budget shortfalls at the state level and an emphasis on fixing problems that pose a threat to health or safety have pushed smart classrooms a little further down the priority list, says Dean Wolf, the center's executive vice president for administration.

In response to increasing complaints, officials running the center in Denver created a department to consolidate its technology support.

Jeff Stamper, division director of Auraria Campus Use and Support Services, was hired to lead the new department. In the past six months, he says, he has secured $150,000 from the institutions and has commitments from each chief financial officer to make classroom technology a priority.

Too little, too late, says Mr. Pletsch, the history professor, adding that he hasn't noticed any improvements. "It is seat-of-the-pants planning because they waited until eight years passed," he says. "I don't have any faith in it at all."

Traditionally, the Auraria center has been financed by a pool that each of the institutions, on the basis of full-time-equivalent students, contributes to.

Back in 2001, Mr. Pletsch says, he met with the chief financial officers of all three institutions and urged them to create an account to pay for updates and maintenance of the smart classrooms.

"They looked all serious and said, 'Yeah we should do that,' but of course they didn't do it," Mr. Pletsch says.

Many colleges are facing the same issues as they struggle to stay on top of frequent needs to refresh computers, projectors, and other equipment in classrooms.

Salisbury University, in Maryland, recently unveiled its Teacher Education and Technology Center and Integrated Media Center, home to 143 smart classrooms and 20 videoand audio-editing suites and a high-definition-video recording studio. Educators there plan to rent out time in some of the editing suites to help cover the costs of maintaining the $5.3-million worth of equipment in the 165,000-square-foot building.

Relying on money from the state government is not realistic, says Jerome F. Waldron, Salisbury's chief information officer for information technology. "This building was built by the State of Maryland. In five years the state is not going to come back and say, 'Hey we are really glad you did these nice things, how much do you need to update this technology?'" Mr. Waldron says.

Other ideas to secure money for upgrades are in the works, but may take time to develop, Mr. Waldron says. But because of the pace of changing technology, officials have to act fast.

"Now I look [ahead] about a year and a half because it is changing that quickly," he says. "Every freshman class, at least for the last five years, has raised the bar a little bit further."

LATimes.com

California leaders dither as the fiscal picture grows bleaker and bleaker

George Skelton, Capitol Journal
October 16, 2008
SACRAMENTO -- There they go again -- the governor and Legislature, standing by gawking as the state begins to roll off a cliff.

No sign of the governor calling the Legislature into a special session to halt another runaway deficit, the latest projected initially at $3 billion for the current fiscal year.

The excuse this time was that the Legislature could not be trusted to behave itself while Treasurer Bill Lockyer was trying to lure investors into a bridge loan -- $4 billion in revenue anticipation notes needed to help tide over the state until the April income tax season.

The lawmakers' politicking and paralyses could spook investors leery of a dysfunctional state Capitol, the theory went.

"If they hold dueling press conferences and get into a food fight, it might be bad PR," Lockyer told me last week.

That's what Gov. Arnold Schwarzenegger and legislative leaders also were hearing from bond attorneys. And it's all the rationale they needed to procrastinate, as usual.

Maybe because the Legislature wasn't in session this week -- but much more likely because people saw the opportunity for a timely, secure investment -- those revenue anticipation notes were practically all gobbled up by individual buyers on the first two days they were offered. By late Wednesday, $3.9 billion worth of the notes had been sold. And Lockyer decided to increase the sale size to $4.5 billion.

Schwarzenegger even bought $100,000 worth. "Good, safe investments," he called them.

So that should quash the rationalization for delaying the hard decisions about how to honestly balance the books.

But there's always some excuse for not mopping up red ink. First, the lawmakers have to wait for the April tax take to fully understand the problem. Then they must wait for the governor's May revision of his budget proposal. Wait until the summer heat reaches 100. . . .

Now they wait for the notes to sell. After that there'll be the election. Then the holidays. A new

Legislature. Pick it up in January.

Predictably, the Capitol's record 85-day tardiness in producing a state budget is not an issue in any competitive legislative race this fall.

That's because -- despite the national political drama, and rock-bottom public approval rating of the Legislature -- there are very few competitive legislative races. Blame the Legislature's gerrymandering of districts to make them safe for incumbents and their parties. No incumbent is in a tight race. No lawmaker is being held accountable for legislative fiscal irresponsibility.

It's an argument for Proposition 11, a ballot measure sponsored by good government groups that would take redistricting away from the Legislature and hand it to an independent commission.

Schwarzenegger, a strong supporter of Prop. 11, could accentuate the case for redistricting reform by calling the Legislature into special session. It would be a no-risk, win-win move.

If the Legislature didn't produce -- if it innately fell into gridlock -- that would illustrate clearly the need for legislative reform, starting with Prop. 11.

But if the lawmakers did perform, the governor and all of California would be better off.

"The sooner they do whatever -- raise taxes, cut spending, a combination of both -- the easier it is to do it," says Lockyer, a former Senate leader. "The cliff gets higher the longer they wait."

Lockyer expects to wrap up the sale of notes by Friday. He anticipates offering another $2.5 billion worth in winter. And unless there's a budget fix by then, he says, selling those notes "might not be so easy."

The options are the same as they've always been: cut, tax, borrow, use gimmicks or plug in phony numbers. The latter three got the state into its hole.

Cutting means disrupting education in the middle of the school year. It means reducing the number of poor people receiving Medi-Cal healthcare and/or eliminating services. It means releasing prisoners.

In the budget signed just last month -- the one already in the red -- between $7.6 billion and $9.6 billion in spending was cut, depending on whose figures are used and what's counted.

Republicans balked at any general tax increase, although some corporate loopholes were temporarily narrowed in exchange for eventual significant widening.

The main revenue option still seems to be a temporary sales tax increase, as advocated by Schwarzenegger. But there also are two other ideas floating: extending the sales tax to services and imposing a depletion tax on oil when it's pumped from the ground.

If Republicans won't raise taxes, the GOP governor this time should pressure them to declare what they're willing to cut besides welfare.

There's also another option: borrowing from transportation and local government accounts. But neither is a good idea during a recession, when government should be priming the pump.

If for no other reason, there could be a special session to expedite the flow of public works money from the $43 billion in infrastructure bonds approved by voters two years ago.

The Capitol crowd also could unite with other states, as suggested by California economist Stephen Levy, to lobby the federal government for an anti-recession package to help maintain state and local programs and public works projects. House Speaker Nancy Pelosi (D-San Francisco) and Democratic presidential candidate Barack Obama are talking that up.

The governor held a teleconference Wednesday with legislative leaders. The lawmakers were briefed on the wildfires and the note sales. But there was no talk of a special session, according to the governor's office.

They're all wasting time. It's time to head off a fiscal disaster. Time to stop the state from going over the cliff.

WDBJ7.com

October 13, 2008

UPDATED: Man charged in lock down at Danville Community College

Police have charged a Danville Community College student for an incident that forced the school to lock down Monday morning.

18-year-old Bruce Wayne Elder of Danville is facing two felonies and a misdemeanor. Police say Elder was spotted on the DCC campus with a gun. After being identified by name, Elder feld to a home on Kemper Road, where he was arrested. Investigators found two revolvers in his possession.

While police worked to find Elder, Danville Community College was put on lock down. Students, faculty, and staff were secured on campus from 8:40 a.m. until Elder was arrested around 9:30 a.m.

Danville Community College President Dr. Carlyle Ramsey confirms that Elder was on campus for classes Monday morning. Ramsey tells News 7 there is no evidence Elder threatened anyone at DCC.

Elder is being held in the Danville City Jail without bond.

WOAI.com

Librarian Shot to Death at Northeast Side College

Reported by: Aubrey Mika Chancellor
10/14/08

SAN ANTONIO - A librarian was shot to death at a college on the Northeast Side Monday afternoon.

The shooting happened in the library at the Northeast Lakeview Community College at 8300 Pat Booker Road. The college is part of the Alamo Community College District.

Officials at Alamo Community College District released a statement which said a full-time librarian at the college had been shot and killed around 2:15 p.m. The suspected shooter is a man who works part-time at the library. The officials confirmed the suspect was taken into police custody.

College President Eric Reno identified the man who was killed as Devin Zimmerman, 37. He said the gunman, 62-year-old adjunct librarian Allen Godin, sat down after the shooting and waited to be arrested.

Reno said the two men knew each other and often worked together.

"I wish we had an explanation for why this happened," Reno said in a story in Monday's online edition of the San Antonio Express-News. "It's a tragedy nobody could have imagined."

Students were in the library when the shooting occurred, but Reno would not say how many. Police evacuated everyone in the building.

Troy Swansen, a 21-year-old student, said he heard shots near the library counter, but could not see because a pillar obstructed his view.

"I was wondering, 'That can't be a gunshot,'" Swansen said. "A few more came out and I was like, 'Yeah, that's a gunshot.'"

Derek Adair, a 24-year-old business administration major, said he was sitting in the cyber cafe about 20 feet from the library door when he heard "loud pops" and saw flashes out of the corner of his eye. He ran from the building.

"Everybody was just trying to get out of the building before they got shot," he said.

Officials have canceled Tuesday classes at the college but students will be able to speak with counselors, Reno said.

Reno said Zimmerman had been at the school since last fall. He said the gunman had worked part-time at the library off and on since 2003.

Earthtimes.org

10-16-08

Ascending Lights College Scholarship Awards Grow to 37 Students in Urban Los Angeles

LOS ANGELES - (Business Wire) The Ascending Lights Leadership Network ("Ascending Lights") announced today that it awarded a record eight new community college scholarships for the fall semester, bringing to thirty-seven its total number of students from urban communities in greater Los Angeles for the 2008-2009 academic year.

Students in this fall's class reside in South & Central Los Angeles, East L.A., and the Pasadena/Altadena area. Ascending Lights' largest enrollments are at East LA College (11), Pasadena City College (11), and Los Angeles City College (9), with students also attending L.A. Trade Tech College, Cerritos College, and El Camino College.

Ascending Lights President Gary Krauss commented, "As the only independent organization in Los Angeles to focus exclusively on community college scholarships, we recognize that there are countless young men and women throughout Los Angeles who are not able to attend a four-year college but, if given a chance to earn a degree, will become leaders in their communities for decades to come."

In addition to financial scholarships that fund the cost of tuition, books, meals, and transportation, Ascending Lights provides students with weekly mentoring that focuses on setting formal academic plans and goals, and holding students accountable for their academic performance. Students also are required to attend quarterly leadership training workshops that teach life skills and the importance of service to their community.

Krauss stated, "The mentoring element of our program is even more important than the financial assistance we provide. We make a promise to our students: we will not simply write a check to pay for your education -- we will make the journey with you, giving you the structure and support you need to be successful in school and in life."

Ascending Lights works with churches in urban neighborhoods around Los Angeles to identify scholarship candidates who are dedicated to their community and who display leadership qualities rooted in a strong Christian faith. Students are nominated by their pastors and, if accepted to the program, are given full scholarships to local community colleges where they can learn skills needed for the modern workforce and/or prepare to transfer to a four-year university or college. Graduates are expected to volunteer in their churches and local communities for at least three years.

The Chronicle of Higher Education

10/14/08

Fresh Round of State Budget Cuts Hits Higher Education

By ERIC KELDERMAN

The current fiscal year for most states started at the beginning of July, but colleges and universities are already bracing for budget cuts as state revenue from sales, corporate, and income taxes continue to nosedive in the struggling economy.

In a report released late last week, the Center on Budget and Policy Priorities, a research organization in Washington, says that 21 states were expecting budget shortfalls totaling nearly $9-billion for the fiscal year that started July 1—an amount the center expects to grow as the nation deals with the continuing effects of the Wall Street meltdown, the housing slump, high unemployment, and low consumer confidence.

As in the previous fiscal year, when 29 states had to close budget gaps totaling $48-billion, public colleges and universities are sharing across-the-board budget cuts with the multiple agencies that compete for state funds, like prisons, elementary and secondary schools, and health care.

Gov. Deval L. Patrick of Massachusetts, a Democrat, has told public colleges and universities they will lose 5.6 percent of their state funds to help cover a budget gap that has reached $143-million in the first quarter of the fiscal year.

In Pennsylvania, tax revenue is nearly 5 percent below projections for the current fiscal year, and Gov. Edward G. Rendell, a Democrat, is proposing to cut more than $50-million, about 4.25 percent, from public college and university budgets.

In Virginia, Gov. Timothy M. Kaine, a Democrat, has asked higher-education institutions to pare from 5 percent to 7 percent of their state funds as part of an effort to close an estimated $2.5-billion budget shortfall.

In Utah, higher-education funds are being cut by about 4 percent, or $33-million, at a time when enrollment in the state's colleges and universities has risen nearly 9 percent.

Cuts Upon Cuts

In Tennessee, higher education may have to cut as much as $44-million, about 3.4 percent, from its current budget, which the state had already reduced by $56-million from the previous fiscal year.

In Arizona, a $1-billion package of construction projects approved for this year is stalled in the Legislature, which has put a hold on the money over concerns that lottery sales, scheduled to provide 80 percent of the money, are falling off.

The University System of Maryland would lose just $10-million of its $1.1-billion operating budget, but the state would take back $20-million from the system's bond fund. Community colleges, however, could lose as much as $16-million in state funds under proposed cuts by Gov. Martin J. O'Malley, a Democrat.

The current round of budget-cutting comes on the heels of a tough year for many higher-education systems. Lawmakers in New York, for instance, have slashed 7 percent of the state university system's funds this year, and the previous year cut nearly 4 percent of state appropriations to the system. Alabama lawmakers cut 11 percent of public four-year college financing last year, and Florida's higher-education funds were reduced by 6 percent.

Many other states already are considering budget cuts for the next fiscal year, as in Nevada, where Gov. James A. Gibbons, a Republican, is proposing a 14-percent reduction in public higher-education funds.

A report last week from the Nelson A. Rockefeller Institute of Government, the public-policy research arm of the State University of New York, warns that tax collections in many states could fall even further this year, making a bad fiscal situation even worse for much of the nation. While state income-tax collections in the second quarter of 2008 were 6.6 percent higher than they were for the same period in 2007, state sales-tax revenue dropped 1.4 percent, corporate income-tax collections fell 8.3 percent, and motor-fuel taxes declined by 3.4 percent, according to the institute’s analysis.

At the same time, state and local governments are suffering more from inflation than the overall economy is, the report says, with the costs of goods and services jumping 6.6 percent in the second quarter.

DailyNews.com

Taxpayers on the hook for county pension losses

By Troy Anderson, Staff Writer
Article Last Updated: 10/22/2008

The stock market crisis has battered Los Angeles County's public-employee pension plan so badly that taxpayers may have to pay an additional $500million a year by 2011 to prop up the system, according to a report by the Los Angeles County Employees Retirement Association.

The county's general fund contributed $756 million last year to the system, but that is expected to rise to $1.28 billion by 2011 because of steep drops in stock market valuations.

The new findings follow years in which, critics say, public-employee unions in California were granted lucrative pension enhancements for their members.

"This is adding insult to injury because not only are taxpayers seeing their own 401(k) plans diminish in value, but they are having to kick in extra dollars to make sure that public-employee pensions are kept the richest in the nation," said Jon Coupal, president of the Howard Jarvis Taxpayers Association.

LACERA Chief Executive Officer Greg Rademacher gave the Board of Supervisors a report Tuesday night on the system's financial condition, noting that from June 30, 2007, through Sept. 30, 2008, the fund dropped 8 percent, from $40.9 billion to $37.8 billion.

Though the figure hasn't been updated after Oct. 1, the overall stock market has dropped about 14 percent this month.

As a result, Rademacher said, the county's contribution to the plan is projected to be $524 million higher in 2011-12.

"Under this scenario, LACERA would remain a well- funded plan with a funding ratio of approximately 80 (percent) to 85 percent," Rademacher said.

"However, the employer cost ... would increase significantly as we work through the financial crisis."

The California Public Employees Retirement System has also undergone financial difficulties in the current market. Although no future estimates were immediately available, the taxpayer contribution for the state plan has already mushroomed from $321 million a year in 2000-01 to $7.3billion last fiscal year, according to CalPERS documents.

Nationwide, employer contributions to public-pension plans are increasing, according to Keith Brainard, research director at the Washington, D.C.-based National Association of State Retirement Administrators.

Some of these increases, which take years to work their way through the systems, are the result of the stock-market drop in the early part of the decade.

Still, he added, the plans operate on a long-term basis, and investment returns are expected to eventually rebound.

In a prepared release, Cal- PERS announced Wednesday that it did not expect any immediate impact on its employer- contribution rates as a result of recent stock market drops. From June 30, 2007, to Monday, the value of the fund has dropped 23 percent, from $251.4 billion to $192.7 billion.

Kurato Shimada, who chairs the CalPERS Benefits and Program Administration Committee, said the system is geared toward a long-term outlook.

"Cushioning the impact of investment setbacks is the fact that CalPERS experienced double-digit gains in the four years leading up to the 2007-08 fiscal year," Shimada said.

InsideBayArea.com

Time to rethink U.S. retirement savings, Miller says

By Josh Richman
Oakland Tribune
Article Last Updated: 10/23/2008

SAN FRANCISCO — As financial news for retirees and the soon-to-retire grows worse with each passing day, it's time for "a wholesale re-examination" of the American retirement savings system, House Education and Labor Committee Chairman George Miller said Wednesday.

When Miller, D-Martinez, held a hearing on the impact of the economic crisis on retirement savings Oct. 7 in Washington, D.C., the Congressional Budget Office testified American workers have lost more than $2 trillion in retirement savings in the past 15 months as the stock market's decline decimated 401(k) accounts.

At Wednesday's hearing at San Francisco City Hall, Miller said it's worse yet: $1.9 trillion more has drained from public and private pension accounts, according to a new study from Boston College's Center for Retirement Research. For example, the California Public Employees' Retirement System — the largest U.S. public pension fund — has lost more than 20 percent of its value since July 1 and so might have to force already-struggling state and local governments to pay more for retirement benefits.

And Miller said his committee this week learned the Pension Benefits Guaranty Corp. — the government agency that insures private-sector pension plans — lost at least $3 billion in stock investments in the past fiscal year. PBGC chief Charles Millard will testify before Miller's committee Friday in Washington.

"Fiddling around the margins is not going to serve the American people," Miller said Wednesday, questioning the wisdom of having let 401(k) funds — subject to the ebbs and flows of the stock market — supplant the traditional defined-benefit pension plans which used to be the American norm. "Being able to save for retirement after a lifetime of hard work has always been a core tenet of the American dream. We can't allow the promise of a secure retirement for workers to become a casualty of this financial crisis."

Workforce Protections Subcommittee chairwoman Rep. Lynn Woolsey, D-Petaluma, agreed. "We need to make big changes in this country. "... This is a rude awakening."

UC Berkeley Professor Jacob Hacker, among experts testifying Wednesday, said Americans went from having a "three-legged stool" of retirement savings — Social Security, guaranteed private pensions, and personal savings — to just Social Security and private savings, be they in 401(k)s or elsewhere. "And we all know how wobbly a two-legged stool is."

Hacker recommended a universal 401(k) system, available to all workers whether their employer offers a traditional retirement plan; employers would be encouraged to match employee contributions, and could be given tax breaks if they offer better matches to lower-wage workers. All benefits would remain in the same account throughout a worker's life, but these 401(k)s would be governed by the same rules now preventing traditional pension plans from excessive investment in the employing company's own stock. Instead, he said, their default investment option should be a low-cost index fund with a mix of stocks and bonds that automatically shifts from riskier to safer investments as workers approach retirement.

Mark Davis, a partner in the Kravitz Davis Sansone financial consulting firm, said as pensions gave way to 401(k)s, "we shifted the burden for retirement funding and investing from sponsors to participants with no corresponding emphasis on education." All Americans, starting in their K-12 years, should be taught basic financial principles including the importance of savings, Davis said.

But education isn't always enough.

Retired teacher Roberta Quan, 74, of Richmond, testified she'd planned carefully for retirement, yet has seen her savings decimated by the high costs of the residential care her Alzheimer's-stricken husband now requires; by skyrocketing costs of living; and now by the sinking stock market draining her 403(b) retirement savings account — a plan for public teachers and certain others similar to a 401(k).

"The bottom line is that I am retired and unable to re-earn those lost funds," she said. "I am now faced with the insecurity of outliving my rapidly declining 403(b) account. And that is worrisome for John and my future. The word 'fear' looms on the horizon."

Santa Rosa retired writer Steve Carroll, 67, said he and his partner made a seemingly conservative investment in AA- and AAA-rated bonds, including some issued by Washington Mutual; when the Federal Deposit Insurance Corp. seized and sold off the failing bank's assets, they lost their money. Meanwhile, their individual retirement accounts are tanking, yet Carroll's partner must lose on this investment because he's more than 70½ years old and is subject to a mandatory minimum monthly withdrawal.

Carroll said he hopes Congress can help "all of us citizens who have trusted our institutions — who have operated strictly within the rules government and financial institutions set for us — and who now find our much anticipated 'golden years' rapidly morphing into years of ash and tears, all through no fault or misdeeds of our own."

Miller said Treasury Secretary Henry Paulson has been asked to waive the minimum-withdrawal requirements during this economic crisis; the experts on Wednesday's panel agreed that's a good move.

InsideBayArea.com

Oakland schools' $840K bill for nothing

More allegations surface in Oakland schools probe
By Katy Murphy
Oakland Tribune
Article Last Updated: 10/23/2008 06:20:38 AM PDT

OAKLAND — The lead attorney for the Oakland Unified School District has asserted that an outside law firm wasted more than $840,000 of the district's money through duplicate invoices, questionable claims and the mismanagement of a "routine" legal case — and that one of the firm's partners urged two school board members to call off an internal investigation into the bills.

Those allegations, detailed in a letter from Oakland Unified's general counsel to a principal attorney with Bryant & Brown, stem from an internal school district investigation into billing "irregularities" by the firm. The inquiry is also examining how the school district's facilities department staff members, who worked directly with the husband-and-wife legal team, handled its contracts and bills.

The district has asked the Alameda County District Attorney's Office to review the case.

"I'm confident that a fair investigation will reveal what the facts are," said Tim White, who has led the facilities department for the past six years and managed dozens of school modernization projects.

The school district has not released the findings of its internal probe. But on Wednesday, school officials did disclose General Counsel Deborah Cooksey's letter, as well as other documents related to the case, in response to a public records request made by the Tribune.

In an Oct. 9 letter to attorney Meredith Brown, Cooksey accused the law firm of frequently billing the district multiple times for the same work, in an amount totaling $51,000.

The general counsel questioned a number of additional charges, including a $50,900 bill for drafting a contract and another document that, she stated, were "virtually identical" to forms Brown had received from the city of Piedmont.

Cooksey warned that the district might file a legal malpractice claim against Bryant & Brown because of a court case with an electric company that cost the school district $722,000, including $349,300 in attorney fees to the firm. She also wrote that Brown contacted school board members David Kakishiba and Gary Yee this month in an attempt to stop the investigation.

The probe began in September after board member Noel Gallo questioned the firm's high costs — and why its services were needed when the district had hired an in-house attorney solely to handle facilities work. In all, Bryant & Brown has received more than $1 million from a $435 million pot of construction bond money that voters approved in 2006 for repairing schools.

Zack Wasserman, a lawyer representing Bryant & Brown, said he wouldn't comment on the specifics of the letter, other than that his client disagreed with its "assertions and implications." He said he was disappointed the district went public with the investigation, and that it would have been more appropriate to handle the matter internally.

Last week, Wasserman acknowledged the firm had identified $22,000 in duplicate bills charged in 2007 and 2008 — errors he attributed to Bryant & Brown's new billing system. He said Wednesday, however, that he didn't see the basis for the $50,000 figure Cooksey presented.

Bryant & Brown, located near Oakland's Jack London Square, represents school districts, community colleges, transit districts and other public agencies; its Web site lists dozens of clients.

Brown, who did the majority of the legal work in question, is a prominent community and political figure. She is president of the Montclair Soccer Club and vice president of the Alameda County Democratic Lawyers Club. In August, she was a Hillary Rodham Clinton delegate to the Democratic National Convention in Denver.

White is also widely respected and well-liked, and he has remained at his post for longer than most of the top officials. His department regained local authority from the state this year after receiving high scores from a team of auditors led by Oakland's now-interim superintendent, Roberta Mayor. Some say they worry White will be made a political scapegoat when others — including former state administrator Kimberly Statham — also signed off on some of the questionable contracts.

"This is a witch hunt," wrote Christopher Waters, a parent activist, in a letter to the interim superintendent.

The district's spokesman, Troy Flint, emphasized Wednesday that the facilities department has made significant progress under White's leadership, and the district was simply trying to tighten its invoice procedures.

"There were cases where protocol was not followed, and a lack of oversight in some instances," Flint said, "but it's premature to suggest that there was any kind of malfeasance."

The Wall Street Journal

10/23/08

Calpers Looks to Shore Up Assets
Huge Pension Fund to Demand Greater Employer Contributions Unless Returns Improve

By CRAIG KARMIN, JUSTIN SCHECK, RHONDA L. RUNDLE and JENNIFER LEVITZ

The nation's largest public pension fund said it intends to tap California public employers for more money if its heavy investment losses don't reverse, a sign that more financial pain could be in store for state and local governments.

The California Public Employees' Retirement System, known as Calpers, said its assets have declined by more than 20%, or at least $48 billion, from the end of June through Oct. 10.

Unless returns improve, Calpers is poised to impose an estimated increase in employer contributions of 2% to 4% of payroll starting in July 2010 for about two-thirds of its state-employer members, and in July 2011 for the remaining third. Any decision will be made after Calpers knows its returns for the fiscal year.

The average employer contribution rate for public agencies including cities and counties is 13% of payroll in the current fiscal year, Calpers said.

A Calpers rate increase would add to a fiscal mess in California, where falling sales-tax and income-tax revenue and a tanking real-estate market have affected government agencies across the state. With budget cuts for state and local governments projected in coming years, an increase from Calpers would be one more burden.

The news "bodes very badly for us," said Lori Ordway-Peck, assistant superintendent of business services for Burbank Unified School District, which serves about 15,000 students near Los Angeles. "Something would have to give to find that money.

Joe DeAnda, a spokesman for California Treasurer Bill Lockyer, said "the most obvious impact is going to be on taxpayers, who will have to fund any additional increases" to Calpers contributions, though he added that the treasurer is maintaining hope that a market recovery will minimize, if not eliminate, any additional burden. H.D. Palmer, a spokesman for the California Department of Finance, declined to comment, as Calpers hasn't yet decided whether to enact the increase.

With most economists forecasting a recession in the U.S., and at least a slowdown abroad, analysts see a tough road ahead for corporate earnings, and expectations for the stock market are low.

For the fiscal year ended in June, Calpers lost 2.4%; Merrill Lynch recently estimated the average public pension fund's return as negative 5.1% for that period. Regardless of whether Calpers beats its peers, losses make it more difficult for the fund to fulfill its job of delivering pension payments to 1.6 million beneficiaries -- retirees and others.

Between Oct. 31, 2007, when Calpers assets peaked at $260.4 billion, and Oct. 20 of this year, when assets stood at $192.7 billion, the fund lost about $67.7 billion. The giant fund has tried to steer through the recent market turmoil while searching for new leadership, as its chief executive officer and chief investment officer both stepped down midyear.

While Calpers may end up among the first public pension funds to pass on the costs of investment losses to employer members, it may not be the last. Almost every public pension fund is grappling with losses in stock markets, where funds hold on average 58% of their assets, said Keith Brainard, research director at the National Association of State Retirement Administrators. "Sooner or later the money coming in has to equal the money going out," he said.

The increase in contributions to Calpers could be greater than 4% if the fund's assets decline further by the end of the fiscal year in June 2009. The increases would be smaller, or potentially not occur, if the fund reverses those losses.

A Calpers spokeswoman said that because of strong returns over the four years through June 2007, the fund has put aside 14% of its assets to serve as a cushion during bad times. As a result, the potential increases in employer contributions would be less than increases imposed during previous downturns.

The declines could take a toll on Calpers's funding status, which is the fund's assets divided by its liabilities. That status would be 68% by the end of June 2009, based on the market value of its assets and if the current 20% decline holds.

The ratio for healthy pension funds should be at least 80%, according to Mr. Brainard. At the end of the 2008 fiscal year, Calpers was 92% funded. It was 102% funded at the end of June 2007.

While Calpers has the ability to increase employer contributions, most public funds can't impose any contribution increase unless it is approved by the state legislature. And given economic woes, other state legislatures may be loath to impose more burdens.

Mr. Brainard said that while pension funds could allow their unfunded liabilities to grow in the short term, they will eventually have to dig themselves out of a hole to meet their obligations to beneficiaries.

Roger Mialocq, a partner with Harvey M. Rose Associates who serves as audit manager for Santa Clara County, says the county is struggling financially, and balanced its budget this year "only by using very large amounts of reserves." Santa Clara County includes much of Silicon Valley.

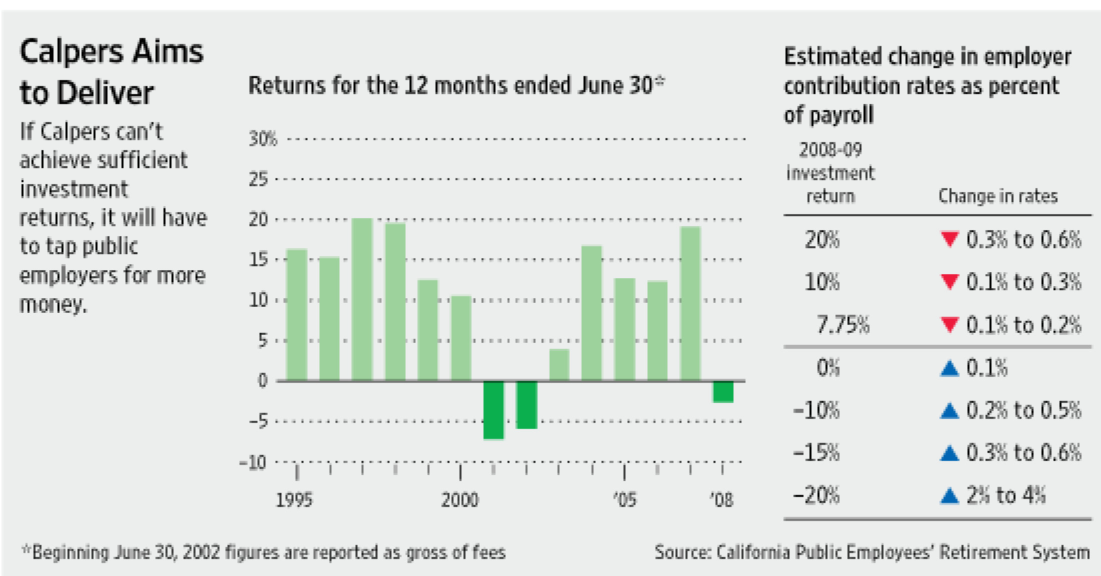
Mr. Mialocq said finance officials at Santa Clara and other counties have been bristling at Calpers rates since 2005, when the fund increased its contribution requirements to make up for losses from the dot-com bust. For Santa Clara, Mr. Mialocq said, the rate the county was paying for most employees jumped to about 13 cents for each dollar of salary from about eight cents.

Mr. Mialocq says that for the current fiscal year, the county is paying $176 million to Calpers for its 15,000 employees, and is projecting a $320 million shortfall for the next budget year. The kind of increase Calpers is projecting, which wouldn't start until 2011 for Santa Clara, could mean a bump of $20 million or more for the county, he estimates.

A Calpers spokeswoman said the formula for calculating the raise for an employer member relies on many factors, including the size of the payroll and the rate of retirement. "The true picture will only emerge as we get closer to the date," the spokeswoman said.

Meanwhile, on Wednesday, the U.S. House of Representatives' Education and Labor Committee, headed by Rep. George Miller, a California Democrat, said the U.S. Pension Benefit Guaranty Corp. lost $3.1 billion in stock investments in the 11 months through August. The PBGC is a government agency that insures private pension plans, takes over failed pension plans, and pays benefits to workers in those plans.

On Sept. 30, 2007, the value of PBGC's total investments was about $63 billion, according to the agency's Web site. Jeffrey Speicher, a spokesman for the PBGC, said the agency now has $68 billion in assets and has "sufficient funds to cover our obligations for years and years into the future."



PRNewsChannel.com

Searching for that Elusive Soulmate? Book Guides You on How to Find Your Spiritual Partner

New thought-provoking and inspiring book outlines simple strategies to a complex problem: finding a soul mate. It will take you into the depths of love to embrace the magnificent beautiful soul you are so that you can create the love in your life that you have always dreamed of.

emergingsoul.com - October 22, 2008

(PRNewsChannel) / Los Angeles, Calif. – People spend years seeking the partner they are meant to be with, passing through relationships and marriages with fruitless results. BUT NOW, a new book reveals a concise blueprint to love that many people overlook: The optimum way to find your soul mate is to stop looking and embrace the beautiful loving person you are first, according to relationship life coach Gabriella Hartwell, author of *You Find Your Soul Mate When You Let Go of Searching* (ISBN: 978-0-615-23853-1), available at Amazon.com and Barnes and Noble.com. This book speaks of the heart and the soul, aligning you through invaluable words of wisdom to enlighten your body and soul to the purpose of why we are all here – to love and to be loved again and again.

Hartwell teaches simple principles of letting go and allowing the universe to help guide you into the perfect relationship. She says it's a strategy that singles can use to find 'the one' and also a method couples can employ to strengthen their bond with one another. "The Law of Attraction teaches us to focus on what we want in a relationship," expresses Hartwell. "You can know where you want to go, but you must allow yourself to be in the present moment for it is this moment that will bring you to where you want to be."

Her book guides people on how to find the essence of who they are, identify what they want in their life, as well as, discover who they want in their life. *You Find Your Soul Mate When You Let Go of Searching* emphasizes various exercises, visualizations, and affirmations to help people connect with their true selves. From how to get in tune with who you are, to what fear is and how to release the fear within you that stops you from living the life you have always wanted, to what a soul mate relationship actually looks and feels like, *You Find Your Soulmate When You Let Go of Searching* gives you the step by step intuitive signs to follow on the roadmap to the discovery of both a life long loving relationship with another person and also to the one most important soul mate relationship you will ever have, the one within you!

Hartwell also lectures on the subject of soul mate relationships. Both El Camino College and Los Angeles Harbor College have brought Gabriella into their college classrooms to talk to students about happiness and being in a healthy relationship.

"Everything I do helps to build my experience as a coach but it also helps me learn more about the subjects I teach. I believe we are all teachers as well as students," expresses Hartwell.

Hartwell, who has spent her life helping other people, says giving advice came naturally to her even at a young age. Throughout her life, people have tended to lean on her to get through hard times and into great relationships. She believes that when you connect with that inner heart essence, you are then resonating from a place in which you will naturally attract your soul mate and draw that soul to you in the physical realm.

Hartwell also conducts a weekly tele-seminar on soul mate discovery, as well. This over-the-phone class is similar to a business conference call where participants call into a number and embark upon the adventure of what a soul mate really is and how to identify theirs through the guidance of Ms. Hartwell.

Gabriella Hartwell's book *You Find Your Soulmate When You Let Go of Searching* will inspire you into a new way of being in life that has your heart come fully alive into the ever enfoldment of love's presence to have your soul singing within freedom's flight. Step into the awe-inspiring pages of following your intuition and noticing the signs from the universe, so that you can come to believe that you deserve the love that is you and is coming to you in each moment. It is all about the journey rather than the destination. So, come enjoy the journey of wrapping your soul in the arms of love's embrace within You Find Your Soulmate When You Let Go of Searching.

About Gabriella Hartwell: Gabriella Hartwell is an Intuitive Relationship Life Coach and has been helping people within their relationships long before life coaching became a profession. She works with singles to help them discover and connect with their soul mate as well as couples to help elevate their relationship to a soul mate level. She currently publishes a newsletter entitled "Emerging Soul – Embrace Your Destiny" and has a blog on her website for people to share and express their feelings as well as experiences. She is already working on her next book, which will focus on couples who share their stories of finding their soul mates and the spiritual connection it has delivered in their lives.

Contact: Gabriella Hartwell
Email: coaching@emergingsoul.com

Recordnet.com

Huge field vies for Delta seats
No shortage of issues to debate for 10 hopefuls

By ***Alex Breitler***
Record Staff Writer
October 24, 2008 6:00 AM

STOCKTON - The candidates took up half the stage - and three more were absent.

San Joaquin Delta College students hosted a first-of-its-kind debate Thursday, as two incumbents and eight challengers - an unusually crowded field - campaigned for four seats on the college's Board of Trustees.

Mismanagement of bond money, violations of the Brown Act and the controversial Mountain House campus were among the topics.

Some highlights:

Area 1 (south Stockton)

Incumbent Anthony Bugarin admitted mistakes have been made.

"Unfortunately, we've taken a hit," he said. "I am responsible; we're responsible. I accept that."

With another term, Bugarin said, he'd "deal with consultants" who some board members have blamed for problems with the $250 million Measure L bond.

Challenger James Grunsky emphasized vocational training, given the tough economy. He was one of several candidates to say the college should reconsider its decision to build in Mountain House.

"I think Tracy was the better option," he said. "I also think Lodi is the better option."

Jennet Stebbins said she believes the college should complete the Mountain House campus while agreeing that change on the board is needed.

Area 2 (north Stockton)

Former Delta administrator Mary Ann Cox said the college's warning from an accreditation commission is "humiliating" to students and faculty. She said the board needs an ethics policy - and new blood. "I don't know that you can train people to be ethical," she said.

Cox also called for guaranteed transfers to help students get into four-year institutions.

Delta graduate Motecuzoma Sanchez blasted the board for an alleged Brown Act violation in which closed-session information was leaked to Mountain House developers.

Attorney David Rishwain said Brown Act violations "take the public out of the process." Despite its well-publicized problems, he called Delta a great institution that should serve not only students but the community.

Area 5 (north county, Mother Lode)

Architect Steve Castellanos said the proposed building at Mountain House is overpriced. He said the board failed to have a specific plan what to do with the bond money, a "setup for failure."

Businessman Al Lennox agreed that Mountain House was the wrong choice.

Area 6 (Tracy)

Challenger Teresa Brown said she wants to ensure "public business is conducted in public; no secret information, no secret votes." She said the college needs a more diverse faculty and staff.

Incumbent Greg McCreary said he wants to unify the board, which agreed with "almost everything" the grand jury said. The jury's report put a negative light on every Delta trustee.

"I did everything I could to get this (campus) into Tracy" and not Mountain House, McCreary said.

Candidates Thomas LaBounty (Area 2), Gregory Benigno (Area 2) and Carolyn Gamino (Area 6) did not attend.

SignOnSanDiego.com

Bond ads recrafted to play to economy

New push: Construction on schools means jobs

By Maureen Magee
STAFF WRITER

October 24, 2008

When seven San Diego County school districts rolled the dice and put bond measures on the November ballot to build and repair campuses, it was a seemingly safe bet.

After all, four districts had passed nearly a half-billion dollars in bonds this year. With 55 percent voter approval needed, such initiatives are usually successful.

But the stock market has since plummeted, housing prices continue to decline and thousands of local residents have lost their jobs. With Election Day little more than a week away, bond advocates are changing their campaign strategies and scrambling to reassure wary voters.

In East County, the Grossmont Union High School District initially pushed its $417 million Proposition U as a means to complete construction projects and expand career-education programs. As the economy faces its biggest crisis in at least a generation, the Proposition U campaign has been retooled to tout new jobs and increased property values that would come with building projects and improved school facilities.

“We changed the message a bit to deal with the current time,” said Grossmont board President Larry Urdahl, a member of the Yes on Proposition U committee.

Worried that the slumping economy would scare voters from San Diego Unified School District's $2.1 billion Proposition S bond measure, campaign leaders ordered a round of telephone polls late last month to gauge support for the measure.

“The economy is the most serious challenge we face,” said political consultant Larry Remer, who is heading the Proposition S campaign effort. “The polling told us that we have support (from 72 percent surveyed) and we need to get the word out about Prop. S.”

Television commercials began airing this week promoting the measure. Remer said he remains optimistic, in part, because residents and business leaders have demonstrated their support with $750,000 in contributions to the bond campaign.

Should the bond measures pass, the economic crisis may work to the advantage of districts.

With fewer construction projects available to them, builders have been forced to become more competitive. That means districts could stretch the public's dollar further than they could during better times.

That's what happened at the San Diego Community College District, which is in the midst of a $1.5 billion construction project. The district saved $4 million at Mesa College's new health building because twice as many bids than expected came in and they were lower than anticipated.

“This is a great time to be buying construction because it's a buyer's market,” said Ted Bumgardner, vice president of Gafcon Inc., a construction consulting and management firm. “Aside from that, there is no better way to stimulate our economy than to put money into local construction projects.”

About 90,000 construction workers in California, 10 percent of the construction work force, lost their jobs in the past year, Bumgardner said. The $19 billion in proposed school bonds statewide could drastically improve that sagging industry.

Even so, many districts worry that voters will look at bond measures, which tax property owners, as expenses they cannot afford.

“When this was conceived of, the nation's economy hadn't blown apart,” said Kelli Moors, coordinator of the Escondido Union High School District's $98 million Proposition T campaign. “ . . . There's been a lot of concern in all of North County about the economic future.”

Moors, like many other bond proponents, is banking that high voter turnout in a historic presidential election would help their initiative.

Some experts, however, say voters rarely consider their pocketbooks when taking a stance on bond measures.

“To the school district, the bond is about money,” said Ron Bennett, president of School Services Inc., a Sacramento-based education consulting firm that represents 80 percent of California's school districts. “But to the homeowner who votes for the bond and pays for the bond, it's not usually about money. It's about the confidence a voter has in the district, it's about how clearly the use of the bond is defined and it's colored by the perception of how well the district performs.”

Mitch Thompson, a candidate for the Southwestern Community College District board, couldn't agree more.

Thompson has criticized the district's $389 million Proposition R for overstating the amount of money needed for facilities given the state of the economy. But he said he believes voters will have a tough time supporting the bond because of what he called the district's “unstable leadership.”

In the past 15 months, all four college vice presidents have departed – including one who resigned amid sexual harassment allegations.

Southwestern isn't the only district facing opposition. Anti-tax crusaders have opposed virtually every bond measure in the county. San Diego blogger Pat Flannery and others have opposed San Diego Unified's Proposition S, which they say is excessive. They also argue that downtown real estate taxes subsidize downtown development when they should be funding other services, including schools.

In Escondido, a loosely organized "Coalition of People Who Would Be Dead Long Before This Bond Measure Would Be Paid Off" have posted signs opposing Proposition T.

School bonds on the ballot

▪Proposition R, a $389 million measure in the Southwestern Community College District

▪Proposition S, a $2.1 billion measure in the San Diego Unified School District

▪Proposition T, a $98 million measure in the Escondido Union High School District

▪Proposition U, a $417 million measure in the Grossmont Union High School District

▪Proposition V, a $79.55 million measure in the Lakeside Union Elementary School District

▪Proposition W, a $28 million measure in the Lemon Grove School District

▪Proposition X, a $59.4 million bond measure in the South Bay Union School District

DailyBreeze.com

Visiting nurseries makes a colorful daytrip

By Meredith Grenier
Article Launched: 10/17/2008 09:32:40 AM PDT

With visions of a spring bounty of blooms dancing in our heads, a busload of plant-lovers recently headed south to visit three nurseries in Orange and San Diego counties.

The timing was perfect, since fall is a great time to plant for a bumper crop of blooms come spring.

In preparation, organizers of Digadirt Garden Tours, Peggie Wormington and Jerry Perry, chose three nurseries, met the owners or managers and ironed out details.

San Diego has many boutique nurseries to choose from, which means another trip south no doubt will be in Digadirt's future. But in the meantime, readers can learn from our trip and plan their own similar itinerary.

Just one piece of advice: You'll want to take a truck, van, or other vehicle with a large trunk, along with cardboard boxes in which to transport plants home.

Our first stop was the Tree of Life Nursery (33101 Ortega Highway, San Juan Capistrano), which specializes in more than 500 species of California native plants. It is tucked into a beautiful and serene, mountain-flanked valley on 43 acres of the historic Rancho Mission Viejo.

For 21 years, the nursery sold only to the wholesale trade before opening a retail business eight years ago. Tree of Life not only is the largest native plant nursery in the state, but it has a charming array of straw bale buildings and a great bookstore specializing in California flora, fauna, art and history to go with its acres of plants. There even is an exhibit of plein air paintings by local artists.

It was sort of like old home week for us because the co-owner, Jeff Bohn, grew up in Manhattan Beach. While attending Mira Costa High School more than 30 years ago he worked at Bishop's Nursery, where he fell in love with plants. He then studied to be a landscape contractor at El Camino College and upon graduation began working with native plants, growing them for his projects in Ventura County.

Because typically nurseries don't carry a large supply of natives (let alone have the staff to advise customers on how to grow them), the nursery thrived. Today, it has a great Web site www.californianativeplants.com) as well as demonstration gardens and free workshops on removing a lawn, designing a native garden and selecting plants.

The nursery also has hand-outs on California natives, including a one-page guide that lists specific natives for perennial beds and borders, groundcovers and accent plants to 4 feet and 5 feet; natives that are best for slopes; those for clay soils, background and screen plantings that are more than 6 feet tall; hedges; deciduous and evergreen trees; vines; and plants that attract wildlife.

Riviera Garden Club member Judy Unrine, director of the Costa Verde district of California State Garden Clubs Inc., Judy Unrine, a member of the Riviera Garden Club,was on the tour with her husband, George. "There is an underlying tranquility and feeling of well-being at this nursery," she said.

For more information about Tree of Life Nursery, call (949) 828-0685.

After loading up the bus with plants, we headed to lunch at nearby Cottonwood Park before heading to another charming nursery, Barrels and Branches Garden & Gifts (1452 Santa Fe Drive, Encinitas).

If you need an inspiration for your garden, enjoy collecting unique plants, or are into charm, don't miss this nursery.

Its owners, Samantha Owens and Danica Hirsch, are daughters of horticulturists and both graduated from Encinitas High School and studied horticulture in college. They opened the nursery in August 2005.

The nursery, which is more like a botanical garden, is filled with beautifully maintained garden beds connected by pathways and arranged by themes such as annuals, perennials, succulents, California natives, shrubs and trees. The nursery is known for its attractive selection of pots, water features and gifts, and the customer service is top-notch. If you can't find a certain plant, they will order it for you.

For more information, go to www.barrelsandbranches.com or call (760) 753-2852.

Our last stop was Cal Pacific Orchid Farm (1122 Orpheus Ave., Leucadia).

Manager Susan Ayers gave the group a tour of the 36,000-square-foot facility of blooming orchids. She also raffled off a couple of beautiful orchid plants and gave a potting demonstration along with tips on growing orchids.

Ayers said when watering orchids that are grown indoors - such as phalaenopsis - put them under a water faucet for five seconds on the same day each week.

"They store water in their roots," she said. "Most orchids (other than lady slippers) grow in trees in their native habitat and their roots take the moisture from the air."

So they don't like to be drowned in water.

She also said orchids other than cymbidiums and epidendrums like warm, humid places.

"You need to bring these (more tender) varieties indoors when it is cold enough so that you need a jacket at night," she said.

Basically they grow in temperatures between 65 and 85 degrees.

Ayers said orchids should be kept in their plastic pots when placed in larger ceramic pots, and topped by moss, to help keep their humidity level high.

For more information, call (760) 436-0317 or go to www.calpacific orchids.com.

The Chronicle of Higher Education

10-24-08

2-Year Colleges Are Eager to Prove Their Worth

By PAUL BASKEN

In some ways, it's the best of times for the nation's community colleges. When the economy sags, discouraged workers often try to improve their skills, and enrollments at the country's most-affordable type of college boom.

At the same time, the federal government's recent focus on making institutions prove their academic quality has left community colleges feeling highly vulnerable, unable to prove the value they give their students and therefore worried about losing critical taxpayer resources.

Community-college leaders are now setting out to fix that and hoping they haven't waited too long. In the past few weeks, the heads of the nation's major community-college associations began what they expect may be a yearlong process of developing voluntary standards in such areas as course-completion rates, transfer-readiness, and employer satisfaction.

The idea, said J. Noah Brown, president and chief executive of the Association of Community College Trustees, is to build a body of statistical evidence to show why federal, state, and local governments—at a time of economic stress—should be increasing support for community colleges rather than reducing it.

“We must find a way to convince policy makers to stand with us and not cut budgets right now, because I believe that would only deepen and lengthen our economic recession,” Mr. Brown said. “But without an accountability system, without the ability to stand firm on results and the ability to show that, it's going to be hard to convince policy makers to do what is essentially counterintuitive."

“We know our enrollments are going to skyrocket in the coming year," he said. "We know that. And yet we are so resource-strapped as it is.”

Under Pressure to Show Results

The trustees group is embarking on the mission, in partnership with the American Association of Community Colleges and the College Board, after another year of battles over accountability sparked by the Bush administration's Commission on the Future of Higher Education.

The commission, in its final report in September 2006, said the American system of higher education is hamstrung by a widespread lack of data that can help both students and policy makers understand which institutions do a better job than others of teaching and graduating successful students.

Community colleges feel especially at risk because the most traditional measure of success—graduation rates—doesn't fit a body of students who often intend to transfer, acquire a vocational skill, obtain remedial assistance, or just learn for the sake of learning.

"The community college does an amazing job of serving all of those goals," said Diane Auer Jones, a former assistant secretary for postsecondary education who is now president of the Washington Campus, a consortium of university business schools. But because of that wide mission, Ms. Jones said, "it probably is the hardest to assess a community college" on its performance.

The answer will probably involve a combination of factors, including measures of course completion, student engagement, transfer readiness, graduation, certification, and employer satisfaction, said George R. Boggs, president and chief executive of the American Association of Community Colleges.

"We are not far enough along to have defined the measures" that the groups will recommend to community colleges, Mr. Boggs said. One of the project's first steps will involve surveying states to learn what student-performance data community colleges already collect, he said.

Those organizing the project feel some urgency because governments at all levels are likely to quickly begin cutting budgets now that the economy has turned downward, Mr. Brown said. Community colleges now face that environment without "a set of accountability measures that really reflect the diversity and breadth of our institutions," he said.

"We've been somewhat remiss in that, and we're looking to try to correct that," he said.

2 Studies Under Way

One initiative already under way, Achieving the Dream: Community Colleges Count, has been tracking community-college students in Connecticut, Florida, North Carolina, Ohio, Texas, and Virginia over a six-year period. The study, which is supported by grants from the Lumina Foundation and other organizations, includes both part-time and full-time students, and counts success as involving not only graduation rates but progress toward a degree or transfer to a four-year institution.

Based on measures defined in the Achieving the Dream study, the percentage of community-college students considered to have succeeded grew by amounts ranging from 50 percent bigger in Ohio to 3.6 times bigger in Texas.

In another effort, the University of Alaska at Anchorage has begun outlining plans for a new accountability system for rating the performance of its community colleges that is based heavily on student grades.

The system makes use of the realization that while many community-college students may attend for only a short period of time, they all receive grades that can be tracked. Even if the students are headed in multiple directions, their grades give researchers useful information about where each one is headed and with what degree of success, said Gary Rice, associate vice provost for institutional research at the university.

“I know people can argue about the weaknesses of grades and all that—and believe me, I’m in research, I’m more sensitive to that than anybody else,” Mr. Rice said. “But the bottom line is, That is what is the coin of the realm right now.

“And until somebody—higher ed and the community as a whole—can sit down and agree to say we need something better,” he said, “I’m just simply using whatever the symbol was created for, what it was created to be used for.”

Many students attend a community college with no intention of graduating from the institution, said Judith S. Eaton, president of the Council for Higher Education Accreditation. Grades therefore serve as “the primary tool of faculty everywhere” in making judgments of student achievement, said Ms. Eaton, who is a former president of both the Community College of Philadelphia and what was then called the Community College of Southern Nevada.

But skeptics of a grades-based approach for evaluating colleges include Ms. Jones, who was an associate professor at the Community College of Baltimore County. She recalls working under a previous administration on campus that responded to budget worries by pressing its instructors to boost student retention by giving better grades.

The leadership of the college “didn’t have any malicious intent,” but was simply doing what it thought was necessary to protect an institution where many low-income students were trying to juggle many things in their lives, Ms. Jones said.

“There was clear pressure to inflate grades to make sure the students got through even if they didn’t successfully complete a class,” she said. Some of her students were planning to become medical professionals, like nurses and physical therapists, “and I felt pretty confident that they needed to really know their anatomy and physiology before they should move on,” she said.

Tracking Individual Students' Progress

The struggle at a place like the University of Alaska is evidence to some experts that the community colleges will never find a fair system of proving their worth without a “unit-record” system for tracking students as they move from college to college and into the workplace.

Current information on college student performance largely focuses on full-time students who complete a four-year degree program at a single institution. Advocates of a unit-record system, which would track individual students' educational progress across various institutions and into the workplace, contend that it would be a better measure for community-college students, who often either find jobs closely related to their training or attend multiple institutions before graduating.

“Community colleges really need this, in particular, because it’s the only way that they’ll every get credit for the job that they’re doing,” said Mark S. Schneider, who ran the Education Department’s data-collection systems as commissioner of the National Center for Education Statistics until his departure this month.

Congress barred the Bush administration from pursuing a unit-record tracking system after colleges, led by private four-year institutions, warned that it would represent an unwarranted intrusion into student privacy.

Such a system would “create unprecedented cradle-to-grave tracking of American citizens,” according to one warning written by Katherine Haley Will, president of Gettysburg College and chairwoman of the Annapolis Group, which represents 124 liberal-arts colleges.

Mr. Schneider and Grover J. Whitehurst, who is departing next month from his position as director of the Institute of Education Sciences, the Education Department’s main research arm, tried for several years to convince Congress otherwise. Now resigned to the fact that Congress will not allow a federal unit-record system, they have been concentrating their efforts on more than two dozen statewide efforts.

Such efforts might produce useful information about the performance of colleges because most students who transfer do so within their own state, Mr. Whitehurst said. But a single nationwide system could have produced more data at less cost and bother for colleges and governments, he said.

“The interest of community colleges in this is obvious, since so many of their students end up in other institutions,” he said. “And without knowing that, it’s very difficult to be able to assess the job that community colleges are doing.”

The defeat of unit-record tracking, Ms. Jones said, represented a victory by the nation’s most elite institutions, “who were concerned that perhaps a unit-record system would reveal that the more expensive institutions provide a different social network but potentially not a better educational product.” Tuition and fees at Gettysburg College for the current academic year come to about $46,700.

The project being led by the community-college groups is designed to do more than just validate budget requests, said Ronald Williams, vice president of the College Board.

The goal isn’t “to measure the end of something only,” Mr. Williams said. The College Board instead is trying primarily, he said, to help community colleges “look and see where they are strong, where they need to improve, and use that data in a formative fashion to keep improving.”

For Immediate Release

Contact: Ron Owens
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October 27, 2008

Chancellor Woodruff Announces the Appointments Of Two New Members of the Board of Governors

SACRAMENTO – Chancellor Diane Woodruff announced that Governor Arnold Schwarzenegger appointed a Pasadena Area Community College District trustee and an education policy expert to the Board of Governors (BOG) of the California Community Colleges.

"I am absolutely delighted that Geoffrey Baum and Scott Himelstein have been appointed to serve on the Board of Governors," said Chancellor Woodruff. "They both have excellent backgrounds in the business and higher education sectors so they will bring a valuable new perspective to our Board."

Baum has served as the assistant dean for University of California's Annenberg School for Communication at the University of Southern California. He worked for C-SPAN as executive producer from 1999 to 2000 and as a senior producer from 1989 to 1993. From 1994 to 1999, he was the assistant vice president of marketing and public relations at Claremont McKenna College. Baum was the acting senior editor for public radio's Marketplace in 1994 and was an editorial assistant of the Army, Navy and Air Force Times from 1986 to 1987. He was a substitute English teacher for the Huntington Beach High School District in 1989.

"By providing affordable, quality education and retraining students of all ages for new careers, California's community colleges will play a critical role helping our state and nation meet the many challenges we face in the years ahead," said Baum. "I am honored that Governor Schwarzenegger has given me this opportunity to work with interim Chancellor Diane Woodruff and incoming Chancellor Jack Scott on behalf of the more than two million community college students statewide."

Himelstein has served as the director of the Center for Education Policy and Law at the University of San Diego since 2007. He also currently serves as president of the William D. Lynch Foundation for Children and previously held the same position from 1990 to 2005.

Himelstein served as the Deputy Secretary and Chief of Staff for the Office of the Secretary of Education (OSE) from 2005 to 2007 and was acting secretary from 2006 to 2007. Prior to joining OSE, he served as chair and chief executive officer of the National Even Start Association.

"As former Deputy and Acting Secretary of Secretary of Education, I know firsthand the critical role the Board of Governors and our community colleges play in our state," said Himelstein. "I am pleased to receive this gubernatorial appointment because it affords me the opportunity to contribute my experience and expertise in education policy to help community college students. I look forward to working with Chancellor Woodruff, Senator Scott and my colleagues on the Board of Governors to benefit our students, faculty and communities."

The BOG, which formally interacts with state and federal officials and other state organizations, sets policy and provides guidance for the 72 districts and 110 colleges that constitute the California Community Colleges system. The largest system of higher education in the nation, the California Community Colleges provided educational, vocational and transfer programs to more than 2.7 million students. More information about the system can be found at www.cccco.edu.

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CALIFORNIA COMMUNITY COLLEGES
SYSTEM OFFICE

For Immediate Release

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From: Skinner, Erik [mailto:eskinner@CCCCO.EDU]
Sent: Tuesday, October 28, 2008 6:04 PM
To: SO2CEO@LISTSERV.CCCNEXT.NET
Subject: Budget Update--October 28, 2008

Dear Colleagues,

Only a month after signing the *2008-09 Budget Act* into law, the governor reportedly sat down today with representatives of the K-12 Education Coalition and informed them that he would be proposing significant cuts to education as part of his plan to bring the current-year budget into alignment.

K-12 education leaders who attended the meeting reported the following:

· The current-year budget imbalance has grown to somewhere between $5 billion and $8 billion.

· Education (Proposition 98) will likely face cuts of $2 billion to $4 billion.

· The governor indicated that he felt he could muster a two-thirds vote to raise taxes as part of the overall package of solutions. (It was unclear from reports whether these tax increases would mitigate the $2 billion to $4 billion in possible cuts or not).

The Governor's Office confirmed that the meeting with education leaders occurred but declined to comment on the specific content of the meeting.

Yesterday, the governor announced that he plans to declare a fiscal emergency and thus trigger a special session of the Legislature to address the state's budget problems. In his announcement, he stated his intention to call for the special session immediately after the November 4th election. He indicated that he preferred to work with the current legislators who were familiar with the budget and the state's fiscal position rather than waiting for a new batch of legislators to get up to speed on the details. Taking this approach puts the mid-year session on a very fast track. The current legislative session will end December 1 and many legislators will be replaced at that time. According to administration sources, they aim to have the session completed by Thanksgiving.

In recent days and weeks, we have been meeting with budget leaders and staff to make our case that the state needs to protect its investment in the community colleges. Statewide, districts are reporting a surge of 10.2 percent in FTES, driven largely by workers displaced by the crumbling economy. It is essential that the state maintain a pathway through the community colleges for these workers to gain new skills to help them secure new jobs and in doing so help the state's economy to recover. The *2008-09 Budget Act* did not provide sufficient resources to sustain this recent surge in enrollments on an ongoing basis. Now is the time to for California to protect funding for the colleges, and even expand it to meet this urgent need. No other system of education can provide the education and training needed to bolster our sagging economy as cost-effectively as the California Community Colleges.

As we step into a very challenging budget environment, we are going to need full participation from all community college stakeholders. Please activate whatever advocacy tools you have. Meet with your legislators to tell them about how your college is growing and helping to meet the needs of displaced workers. Write a letter to the editor to explain how you are working with a local employer to help their business grow and compete. Stakeholders engaged in some very effective advocacy over the past year—it is time to ramp it back up. We will be sharing more suggestions on advocacy in the near future.

More updates will follow as additional information becomes available.

Regards,

Erik Skinner

Vice Chancellor for Fiscal Policy

Chancellor's Office

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LA Times

College tuition could rise sharply, officials warn

The cost of higher education jumps nearly 6% for students in the 2008-09 academic year. Experts say the widening economic crisis might worsen those bills in 2009-10.

By Larry Gordon
October 30, 2008

A report released Wednesday by the College Board showed that the average price of attending college rose nearly 6% this fall, but education officials warned that the widening economic crisis might push tuition bills sharply higher next year.

Annual tuition, fees, and room and board for in-state students at four-year public colleges and universities nationwide grew 5.7% for the current academic year to $14,333, according to the College Board's annual college pricing survey. For four-year private schools, the price of attending rose 5.6% to $34,132. Financial aid reduced schooling expenses for eligible students.

The increases closely matched the 5.6% overall inflation rate for the fiscal year ending July 2008 and were relatively moderate compared with a run-up of college costs a decade ago.

"This is certainly not high by historical standards," said Sandy Baum, a College Board policy analyst and economics professor at Skidmore College in New York.

But trouble might be looming. State budget cuts, college endowments hit hard by the tumbling stock market and an expected slide in donations could lead to higher charges for students and parents next year, some officials warn. However, some experts speculate that schools may be loath to raise prices at a time when many American families face layoffs, home foreclosures and shrinking investments.

Molly Corbett Broad, president of the American Council on Education, said she was worried about the possibility of steep tuition hikes at both private and public colleges.

"I am afraid this year's [College Board] report may prove only to be a snapshot of a time in history that we might soon be referring to as 'the good old days,' " she said in a prepared statement. Given the economic strains and endowment losses, college administrators "will be reluctant to increase tuition, but they will likely have little choice."

Baum of the College Board said she could not make predictions but conceded that campuses were feeling financial strains. "Obviously, the pressure is going to be very strong on colleges and universities, as it is going to be on the rest of the economy," she told reporters Wednesday during a telephone news conference.

At the National Assn. of Independent Colleges and Universities, spokesman Tony Pals pointed out that one school, Benedictine University in Illinois, recently froze tuition fees through spring 2010 and guaranteed that next year's freshman class would see no increases through 2011 because of the financial problems many families are facing. Some other private schools may follow that example, Pals said, and others will work to limit hikes.

Still, average tuition increases probably will be larger next year, Pals said. "But whether they will be significantly higher is too early to predict," he added.

According to the College Board report, students at California's community colleges and Cal State campuses are getting a good deal compared with students in other states. This year, annual tuition and fees at public two-year colleges nationwide averaged $2,402, compared with $634 at California community colleges.

Excluding room and board, tuition and fees at four-year public schools averaged $6,585 , compared with $3,800 at Cal State campuses. Annual UC fees are more than $8,000, not including living costs, but UC says its fees are similar to those of other highly ranked, research-oriented public universities.

However, with the state budget billions of dollars in the red, officials of California's public universities are girding themselves for possible fee hikes next year, although they say it is too soon to speak of specifics before next month's meetings of Cal State trustees and UC regents.

Many other state campuses face similar situations, according to the National Assn. of State Universities and Land-Grant Colleges. Since state budgets and tax revenues are down, "universities will be pressed to increase tuition," said Peter McPherson, the association's president.

Full-time students at public four-year institutions received grants and tax benefits averaging $3,700, and full-timers at private four-year schools received grants and rebates averaging $10,200, the College Board report said.

American undergraduates received an average of $8,896 in financial aid this year, including $4,656 in grants and $3,650 in federal loans.

The debt level worries educators and families. About 60% of all students who graduated in 2007 had some school loans to pay off, and the average total debt was $18,800 at public colleges and $23,800 at private schools. That average debt was 18% higher than it was six years ago, the study found.

Turmoil in the banking industry and the increased amounts of money that students can now borrow in federally guaranteed loans are discouraging students from taking out private loans, College Board officials said. Private-loan volume fell slightly between the 2006-07 and 2007-08 school years, while federal-loan volume rose about 6% after inflation, the officials said. The study did not include the most current figures, although experts said they expected to see that trend grow stronger.

MercuryNews.com

Stanford and other California universities brace for budget cuts

By Lisa M. Krieger

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Amid a deepening financial crisis, Stanford University has announced plans to cut expenses by slowing some construction projects, controlling salaries and perhaps eliminating some jobs.

None of the cutbacks — planned for the next two years — will affect the core educational functions of the school, President John Hennessy said in an e-mail sent Thursday to staff and faculty. The school will protect faculty positions and will continue its expansion of financial aid.

But loss of endowment income, reduced research funding and an increase in needy students has created what Hennessy called "perhaps the tightest financial outlook we have seen in decades."

Stanford is not alone — across the nation, universities are planning major belt-tightening. For the University of California and California State University, the state's deteriorating budget situation has forced immediate cuts to its 2008-2009 budget — and additional reductions are envisioned for next year.

Unlike private companies, universities tend to be stable institutions. But the economic downturn is forcing many to shrink their ambitions. The stakes are especially high for Silicon Valley, where higher education is an economic mainstay and vital to the region's competitiveness.

After years of robust growth, Stanford will reduce its $800 million budget by about $45 million, or roughly 5 percent, in fiscal 2009-10, Hennessy said. It anticipates a similar reduction in 2010-2011.

The university is projecting a steep decline in investment income, its largest revenue source. At the same time, government-sponsored research, its second largest revenue source, has been declining relative to inflation — and given the challenges in the federal budget, is unlikely to improve quickly.

Meanwhile, it plans to expand financial aid. An estimated 80 percent of students get some help, and this number is expected to grow. Last spring, in an effort to broaden the economic diversity of the university's student body, the school said it would waive tuition for lower-income families and cut in half the tuition for middle-income families.

"If a student's family financial situation deteriorates, we fill in the difference," Provost John Etchemendy said in interview with the university newsletter. "The brightest students should be able to continue to attend Stanford regardless of their ability to pay."

Stanford does not intend to impose across-the-board layoffs or salary freezes. But some jobs will be lost in any substantial cut, Etchemendy said. Any salary increases will be smaller than in previous years, he said.

Current construction projects — such as new engineering buildings, a stem cell science building, campus for the Graduate School of Business and art department facility — will continue, aided by generous gifts. But the university will postpone planned projects, not yet started, that would have required taking on new debt. It has not released a list of delayed projects.

Santa Clara University has not yet made any definitive decisions, but also anticipates tight times, said Jim Purcell, vice president of university relations, a member of the university's budget committee.

For California's public campuses, the impact is more immediate — and continued economic strain on the state's budget could cast a long shadow on future operations. The new midyear cuts come as campuses already are struggling with cuts in place for 2008-2009. Larger and more permanent cuts are expected for 2009-10.

San Jose State University faces a $1.86 million reduction in this year's budget, representing its share of the total $31.3 million midyear reduction faced by CSU system. "It's not insignificant, but it is manageable," said SJSU spokeswoman Pat Lopes Harris.

The UC system has been told to take an immediate $33.1 million cut to its budget, part of the statewide reduction mandated by Gov. Arnold Schwarzenegger. UC President Mark Yudof has asked campuses to consider hiring freezes, curtail travel, limit consulting contracts and defer new purchases of equipment. UC-Santa Cruz will learn next week the amount it needs to cut.

UC-Berkeley's share of that cut is $5 million. It will pull funds from projects and programs where money had been allocated but not yet spent.

ContraCostaTimes.com

Gas prices may be go as low as $2.50 a gallon by the holidays, experts say

By Janis Mara
Staff Writer
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CONCORD — Bay Area gas prices dropped below $3 a gallon for regular at some stations and prices could drop as much as 50 cents more by December, a silver lining for motorists amid the current economic gloom and doom.

Factors including the end of the summer driving season, falling crude oil prices and declining demand pushed gas prices down more than 14 cents over the last week, to an average price of $3.37 a gallon in the East Bay, according to national gas price site GasBuddy.com. And prices may go lower.

"The potential is there for oil prices to consistently occupy the $50-a-barrel range," said oil industry analyst Stephen Schork. "That would mean the price of gas would continue to plummet. You are looking at another 50 cents coming out of your (Bay Area) prices possibly by the holidays." In mid-June, Schork told MediaNews that the oil price bubble would see a correction later in the summer after hitting a peak.

Crude oil is the main ingredient of gasoline and makes up about 70 percent of its price. Crude oil for December delivery dropped $5.43 to close at $66.75 a barrel on the New York Mercantile Exchange Wednesday.

"I was surprised when I saw a two in front of the gas price," said Tim Barnes of Concord, filling up with $2.99 regular at the Bonfare Market on Willow Pass Road. "It's a big help," Barnes said of the lower prices.

"Am I happy? You bet," said Bob Bal of Pittsburg. As to the reason for falling prices,

"Nobody is buying gas now because of the economy. They are all trying to save money," Bal said. In fact, Californians have been buying less gas for almost two years in a row, according to the State Board of Equalization, breaking a 14-year trend.

"This is good news for two reasons," said Jason Toews, co-founder of GasBuddy.com., of the price drops. "First, we are all worried about money and gas is less expensive, and secondly, (falling prices) are partially due to our behavior. We started conserving, demand fell and so did prices," Toews said.

"I'm relieved that prices have dipped," said Garth Crawford as he gassed up his Nissan Altima hybrid at Bonfare. Like Bal, Crawford pegged the economy as a cause of falling prices, along with declining consumption and a surplus of fuel.

Crude oil inventories jumped by 3.2 million barrels last week, the Energy Information Administration reported Wednesday. This was more than the 2.9 million barrel increase expected by some analysts.

"This is the lowest I've seen in California," said Sharon Heath of Michigan, who was visiting her mother Edna Hardin in Concord. "I own a driver's education school, so gas prices have a big effect on me. Gas is around $2.80 now in my part of Michigan," Heath said.

"We may see gas prices under $3 a gallon on average as early as late November," said Toews. "I would expect by sometime in December we will see prices in that range, possibly as low as $2.80."

"They (oil companies) raise gas to $5 a gallon and then they lower it to around $3 and we think that's not so bad. They've got it (the price) right where they wanted it," said Ed Brown of Concord. "I'm not pleased with these price drops. Gas should be lower," he said.

"We're becoming desensitized to high gas prices," agreed Toews. "Our perception of what constitutes cheapness has changed."

WhittierDailyNews.com

Rio Hondo welcomes new hires

By Tracy Garcia, Staff Writer
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WHITTIER - Rio Hondo College has continued its parade of new administrators this year and welcomed eight new temporary and permanent directors and deans to the hilltop campus.

They include new Physical Education Dean and Athletic Director Rory Natividad; Dean of Counseling & Student Development Walter Jones; Grant Development Director Howard Kummerman; Financial Aid Director Elizabeth F. Coria and Marketing & Communications Director Susan Herney.

Three others also have been appointed on an interim basis. They are Mike Slavich, dean of career and technical education; Gus Gonzalez, facilities services director and Kenneth Pierson, dean of communications and languages.

These positions combined pay anywhere from $100,068 to $152,256 annually, college figures show.

Natividad, who has a bachelor's degree in physical education and a master's in education, replaces longtime P.E. Dean Ellie Bewley, who retired in June. He previously served as P.E./athletic director at El Camino College.

"I really couldn't be happier here," said Natividad, who said he has worked at the community college level for 16 years but refused to disclose his age.

"The atmosphere at Rio Hondo is very inviting, and I think that was a kind of determining factor in my decision" to seek the position, he said.

Fellow newcomer Jones, who comes to Rio Hondo from Los Angeles Valley College, has a bachelor's degree in English, a master's in education and a doctorate in educational leadership.

Jones said his department - counseling and student development - is "the face we use to welcome students to Rio Hondo and assist them in achieving their academic and career goals.

"It is not my intention to change the face," he said, "but to broaden the smile."

Whittier native Coria, who graduated from Pioneer High and Whittier College, said her new post "makes me feel like I can give back to the community.

"Community college is where I want to stay. I really love the students, and what community colleges do," said Coria, who also refused to give her age.

She has a bachelor's in business administration and a master's in management and recently worked at Chaffey College.

Kummerman, who heads up grant development, has a master's degree in executive leadership and a professional background in nonprofit management and fund-raising.

He has worked at the Burn Institute, the city of San Diego and the foundation at Grossmont College in the San Diego area, where Rio Hondo College President Ted Martinez Jr. formerly worked.

Herney, who also refused to give her age, worked with Martinez, 61, while he was heading up Grossmont College.

She has been on the payroll at Rio Hondo for six months and has 20 years' community college marketing experience. She has a master's degree in organizational management.

Coming to Rio Hondo was "an opportunity to work for and with Dr. Martinez as he leads Rio Hondo College into the future," Herney said. "It's been very exciting and very invigorating."

The Daily Breeze

A double whammy

Staff Writer
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Taxpayers pay more to keep county public-employee pension funds solvent.

At a time when most workers are watching their retirement savings get swallowed up by falling stock prices, it feels like a cruel trick to learn that taxpayers may have to spend $1 billion in 2010 to prop up Los Angeles County public-employee pensions.

But it's no trick, and it's no surprise.

Government watchdogs have been warning for years that generous public-employee pension packages would consume more and more taxpayer dollars.

We've already been paying more each year to cover the increasing cost of retirement benefits for city, county and state workers. But when the real estate market was booming, the stock market was hot and public coffers were full, nobody really paid attention to the extra expense.

Now, with the nation's stock market in the tank and investments worth significantly less than a few months ago, taxpayers are going to have to foot the bill to keep public-employee pensions fully funded in the coming years.

And it could be a very big bill.

Supervisor Zev Yaroslavsky warned earlier this month that the county could be on the hook for a "nine-figure" dollar amount to cover pension losses. Last week, the Los Angeles County Employees Retirement Association said Yaroslavsky's cost estimate is a real possibility, and that county taxpayers may have to pay around $1 billion in 2010 and as much as $1.28billion by 2011 to meet pension obligations. That's $500 million more than county taxpayers paid last year for public employee pensions.

The California Public Employees Retirement System, which provides pension benefits for state employees, also warned recently that it may require higher contributions from government agencies to keep that pension fund strong. Taxpayer contributions to

CalPERS have already jumped from $321million in 2000-01 to $7.3 billion last year.

What does this mean for taxpayers? Service cuts and higher fees, while more of your money goes to funding the golden years of public employees.

And this comes as most private-sector workers watch the value of their 401(k) plans drop, and some employers are even considering stopping 401(k) contributions to save money during the economic downturn.

Unlike most public employees, few private-sector workers - about 5 percent - have defined-benefit pension plans that promise a set payment based on salary or years of work. Instead, most workers that have retirement benefits rely on 401(k) plans that fluctuate with the financial markets and payments are based on the value of your holdings.

Now, we don't want to begrudge anyone the chance to have a solid, comfortable retirement after decades of hard work and service. But there is something inherently unfair when private-sector workers get hit on both sides - they lose the value of their own retirement funds and have to fork over more of their taxpayer dollars to keep public-employee pensions secure.

For several years now, Gov. Arnold Schwarzenegger and other state leaders have been pushing to change the public-employee pension system, possibly by limiting retirement payments (which can now be 100 percent of an employee's final salary) or raising the retirement age to 65 for most public employees and 55 for police and firefighters.

Those kinds of changes would still guarantee a good retirement for public employees, and lessen the cost for private-sector workers who get stuck with the bill.

When taxpayers are struggling to fund their own retirements, they shouldn't get saddled with the rising costs of public employees' pensions. It's time for reform.