# Elections 2013: Voters elect El Camino College's first Latino trustee

By Rob Kuznia, The Daily Breeze

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#### Latest election results

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Voters in the El Camino Community College District on Tuesday night elected the district's first-ever Latino trustee — an event that was assured given that the race for one of two open seats pitted two Latino candidates against each other.

With all precincts reporting, Hawthorne school board member John Vargas narrowly edged Hawthorne City Councilman Nilo Michelin for the Area 2 post representing Hawthorne and the unincorporated areas of Wiseburn, Del Aire and Lennox. It was close match, with Vargas taking 51.3 percent of the vote and Michelin garnering 48.9.

Either man would have been the first Latino trustee to sit on the El Camino board since the Torrance-area community college district was established 66 years ago.

Tuesday's election actually featured two races for seats on the Board of Trustees, and although the campaigns of all five candidates were low key, it was the most hotly contested competition for the community college board in at least a decade.

In the other race for the Area 5 seat representing south Torrance and south Redondo Beach, Torrance City Councilman Cliff Numark triumphed over university technology administrator G. Rick Marshall, taking 57.9 percent of the vote to Marshall's 29.2 percent. In third place was Aria Shafiee, with 12.9 percent.

Vargas, 31, and Michelin, 47, share many similarities. Both are Hawthorne politicos, as well as South Bay natives with political science degrees from UCLA. Vargas, who secured the endorsement of El Camino's faculty and classified unions, said during the campaign that he wanted to see the college do a better job of reaching out to the Hawthorne community.

Michelin, who sits on the El Camino oversight committee that monitors the spending of two voter-approved bond measures, has said that he doesn't want to see the college float another bond.

The Area 5 races pitted the politically connected Numark against Marshall, who styled himself as a change from the Torrance political class.

During the campaign, Numark played up his academic bona fides, professional position and local political experience. A graduate of Narbonne High, the 44-year-old father of two holds master's degrees from Princeton University and the University of Sussex Engineering School, and a law degree from UC Berkeley. The CEO of American Red Cross Southern California Blood Services Region boasted a long list of endorsements that included much of the South Bay political establishment.

Marshall, 57, works as a technology administrator at the University of California Irvine Medical Center.

Tuesday night marked the first time in the history of the college that candidates were not elected at large, meaning voters could only cast ballots for the those vying for a seat within the bounds of their district.

California's low community college fees face scrutiny

By LISA LEFF, Associated Press

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SAN FRANCISCO -- The fees to attend California's community colleges are by far the lowest in the United States -- less than half the national average -- yet at least 40 percent of the 2.4 million students in the largest U.S. system of higher education do not pay them.

The reasons? An unusual financial aid program and a half-century-old vision that made affordability and open access the chief purpose of the two-year schools.

The costs are so low at \$1,380 a year for a full-time load and are so frequently waived for students who meet income and social eligibility criteria that during the recent economic downturn the system relinquished more fee revenue -- \$577 million -- than the \$361 million it collected, according to 2011-12 data from the California Community College chancellor's office.

After steep state spending cuts forced colleges to reduce course offerings and turn students away, college leaders, lawmakers and experts are questioning whether California can afford such generosity.

The 112-college system's governing board has begun a slow but steady process of restricting its popular fee waivers, which have been criticized for carrying few conditions and income cutoffs that could allow a family of four earning as much as \$90,000 annually to qualify.

On Tuesday, the board will vote on a plan that would require students with fee waivers to maintain at least a C-average over two consecutive terms and to show adequate progress by taking at least half of their courses for credit.

Under the change, which exempts the disadvantaged and would take effect in Fall 2016, as many as 48,479 recipients could lose their fee waivers, said Linda Michalowski, vice chancellor for student services and special programs.

"For a student to enroll and do poorly academically, drop out, come back and do poorly, that does not correlate with student success, yet our policy on the fee waiver has said it doesn't matter; you can fail and fail and fail and come back and we will support you again," Michalowski said. "That doesn't benefit anybody."

Many supporters of the proposed shift argue it does not go far enough in addressing the financial realities of a system that is supposed to put some students on a path to a four-year university, prepare others for careers that do not require baccalaureate degrees, and serve older adults and high school students who take classes for enjoyment or resume-sprucing -- at a price that covers less than a quarter of the actual costs.

Steve Boilard, a former legislative higher education analyst who now directs the Center for California Studies at Sacramento State, said the recession exposed a dilemma: How do you keep fees the lowest in the nation while making state-backed waivers so widely available?

As state funding declined by \$1.5 billion over four years, lawmakers raised fees three times, to the current price of \$46 per unit. But nearly all the anticipated revenue was eaten up by the waivers and colleges ended up cutting courses and enrollment anyway, said Boilard, who thinks the state needs to look hard at further restricting waivers and substantially raising the admission price.

"The community college system is supposed to be affordable for all, but we have shot ourselves in the foot by trying to achieve that through low tuition," he said.

Long Beach City College President-Chancellor Elroy Oakley, who estimates four of every five course credits taken by his 31,000 students are subject to waivers, said it's time for the state to re-examine fee exemptions and other financial aid, as well as a dramatic fee increase.

"There is a lot of room to raise more revenue and still be below the national average in terms of fees," Oakley said. If the fees were higher, students could still access federal aid and "would be paying nothing more, and then that money would be going back into the institutions, which is, frankly, what 49 other states in the nation do," he said.

Oakley recently championed a bill signed by Gov. Jerry Brown that allows Long Beach City College and five other community colleges to offer high-demand courses at non-subsidized prices during short summer and winter sessions. Community college system Chancellor Brice Harris, along with some students and faculty, oppose the experiment as a bad precedent that prioritizes an education for those who can most easily afford it.

Critics of the current system note that California could charge more than double what it does now and still would be below the average of what it costs to attend community colleges in the next 10 most populous states.

That California's community colleges are so inexpensive is a legacy of its exalted 1960 Master Plan for Higher Education, which established the state's three-tier college system. Under the plan, the colleges' primary mission was to "offer academic and vocational instruction at the lower division level for both younger and older students."

Western Interstate Commission for Higher Education President David Longanecker has been trying to convince California officials that the 1960 plan needs to be revamped or scrapped.

"In the 20th century, we were trying to encourage people to go to college and that made a heck of a lot of sense in the 1960s when California was a wealthy state," Longanecker said. "Today, California is no longer a wealthy state and we are turning people away from

college who want to come. What we have now is a low-cost pricing scheme that is starving the system and doesn't make sense in the 21st Century."

C averages and fee waivers at our closest colleges: Editorial

Daily Breeze

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More than our public universities, more than our private colleges, the backbone of higher education in California is our community colleges.

The 112 campuses and 71 off-site educational centers in our state serve an astounding 2.6 million students. Nationwide, just as much as the California State University and University of California campuses, this system has been the envy of every other state. What is more amazing and what many Californians probably don't know — it's our birthright, after all — is that as superb as the community colleges are, the tuition there is also the lowest in the nation at about \$1,380 a year.

And even so, fully 40 percent of the students attending community colleges around the state have their fees waived. It's not just the poorest students who get this break — a student from a family of four earning up to \$90,000 annually can qualify for the fee waiver.

If this is generous of our state, it's also indicative of the commitment we have made to invest in our students as they prepare for careers. What is a state without a highly educated workforce? It's certainly not one prepared for the economic realities of the 21st century.

But the budget crisis that has prompted sharp tuition increases at our public universities is hitting hard at the community colleges as well. Class offerings have been greatly reduced. Going against the California Master Plan for Higher Education, some eligible students are being turned away.

That's one reason that at a meeting today in Sacramento, the community college Board of Governors will consider a proposal to require students who get those fee waivers to maintain at least a C grade point average, and to be taking at least half of the courses for which they are enrolled for full credit.

Linda Michalowski, the colleges' vice chancellor for student services and special programs, told the Associated Press if the plan were approved, as many as 48,479 recipients could lose their fee waivers.

It's Economics 101 to understand that when the revenues for sustainability aren't there, you just might have to raise your fees. But in the same course a student learns that just because the price goes up, that doesn't mean more money streams into the enterprise. What if those students drop out rather than pay the new price? What does that do for them, for the colleges, for the state of California? To take what may seem a merely

"practical" step could backfire on everyone concerned as well as harming the futures of the students themselves.

Still, the waivers are a kind of scholarship, and scholarship students in four-year colleges are expected to maintain a minimum GPA. Plus, if the plan is approved, it would not apply to the most disadvantaged, including foster youth, and warnings would be made in good time.

In the interest of fiscal stability for our community colleges, Californians should support the proposal while insisting that it be monitored so that its effect is not to kick out of school the students who most need education. Their failure to be educated would hurt not just them, but all of us. Counseling for those on the brink must be provided; administrators must seek to keep students, not lose them.

Even now, only 53 percent of community college students get a degree. For Latino and African-American students, the rates are 43 percent and 42 percent, respectively. We can't afford to push those numbers lower.

Dan Walters: Yes, California cities do have a serious pension problem

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Public employee union propaganda notwithstanding, California has a serious public pension problem.

Or, more precisely, cities and some fire districts have a pension problem because they spend so much of their budgets on highly paid, high-pension police and firefighters.

Pension obligations are consuming ever-larger portions of those budgets, squeezing out money for other services. Payments into the state's public pension fund played central roles in the bankruptcy of three cities and the one that has emerged from bankruptcy, Vallejo, is already back in distress.

Cities are in this pickle because of a perfect storm of shortsighted decisions.

Fourteen years ago, at the behest of the California Public Employees' Retirement System and unions, then-Gov. Gray Davis and the Legislature sharply increased state pension benefits, relying on CalPERS' assertions that strong investment earnings would pay for them without additional money from taxpayers.

Throughout the state, local government officials in thrall to their unions followed suit. But CalPERS' assurances turned to dust when its relatively risky real estate and equity investments turned sour, costing tens of billions of dollars.

Finally, as CalPERS' unfunded liabilities obligations were reaching unacceptable levels, the fund began ramping up mandatory payments from its local government members, whose own revenues had also been squeezed by recession.

Many of them have borrowed money to make their <u>pension payments</u>, compounding their problem. Bankrupt Stockton's largest debt is a pension bond.

Some cities have negotiated new contracts that require employees to bear larger shares of <u>pension payments</u>, but as baby boomer workers retire in ever-larger numbers, pension payouts will escalate and the problem will persist.

So what should be done?

Gov. Jerry Brown and legislators have enacted a very mild <u>pension reform</u> whose effects won't be felt for years. Meanwhile, however, San Jose Mayor Chuck Reed is risking the political wrath of unions by proposing a deeper overhaul that would allow local governments to reduce future benefits for employees, but not benefits they have already earned.

Reed and a few other mayors want to place their measure on the ballot, either in 2014 or 2016, but so far lack funds to counter the immense sums that unions would spend to kill it.

Business interests have no stake in the battle and will stay away. Reed et al. need a deep-pocketed individual, but the one who has given the effort some money, Texas billionaire John Arnold, is already being vilified by Reed's foes for being a billionaire and a Texan.

It's very difficult to see how Reed's pension crusade can succeed. But the local pension problem will not go away by itself and, if anything, is likely to worsen.

### Op Ed: Pensions Need Real Reform, Not Rhetoric

By Chuck Reed Special to Calbuzz

One of the main reasons our politics are so dysfunctional is that each side spends a ton of money on focus groups and polling to figure out how they can make their opponents look bad. Then, regardless of the facts, these same groups spend millions repeating those polltested charges, turning their opponent into some kind of villain. Solutions to fix the problem are rarely discussed, much less acted upon.

Mayors cannot afford to engage in the politics of dysfunction. Our constituents face real problems and it is our responsibility to come up with real solutions. We have a responsibility to keep our citizens safe, to ensure our children get the education they need and to provide the essential services on which our residents rely. However, the skyrocketing cost of government employee retirement benefits is impairing our ability to meet these responsibilities.

Of equal concern to mayors is the fact that that growing pension costs are also having a major impact on our current government employees. As a growing percentage of our budgets goes toward pensions, cities have been forced to lay off loyal, effective workers and cut their salaries. If we are not able to get our retirement costs under control, the layoffs and the salary reductions will continue and the quality of the services that we provide our community, which includes our hard-working government employees, will continue to deteriorate.

That's why I have joined a group of California mayors in authoring a pension reform initiative that would provide state and local governments with the tools necessary to control their unsustainable retirement costs.

Unfortunately, our opponents have decided to follow the dysfunction playbook: "deny, mischaracterize, and attack."

First, they claim there is not a problem. Yet the largest pension system in California (CalPERS) recently indicated that <u>California taxpayers will see their annual pension</u> contributions jump by 50% over the next six or seven years. These increases will eat up the growth in revenues that we hope to see, further strain government budgets and services, and push more government agencies closer to the edge.

Even more shocking, many leaders of our government employee unions show little concern about the significant underfunding in our state pension systems. In particular, the Legislative Analyst's Office has stated that the state teachers' pension fund (CalSTRS) is currently scheduled to run out of funds in 30 years, meaning new teachers who are contributing their hard earned money into the system are at risk of not receiving their pensions when they retire. The situation keeps getting worse, and CalSTRS recently

reported that its unfunded liabilities are growing at the astonishing rate of \$22 million per day!

The problem deniers then claim the initiative "gives local elected officials the power to break their promises to public employees" and allows for "unilateral" changes to retirement benefits. Nothing could be further from the truth. The initiative specifically protects all benefits that are earned as work is performed, while simply allowing for changes to future benefits when circumstances dictate. Furthermore, any such changes must comply with applicable collective bargaining rules. Read exactly what is in the pension reform initiative

Finally, our opponents try to attack the initiative as some sort of right-wing conspiracy. Such nonsense ignores the facts that: four of our five proponents are Democratic leaders of Democratic-majority cities; polls consistently show that Democrats, Republicans and independents all support the need for pension reform; and the donations that we've received (which have only been for the initial policy work) have come from people across the political spectrum.

People support pension reform not because they are part of some ideological struggle. People of all political stripes support reform because they understand that this is simply a math problem with potentially disastrous consequences.

We have an obligation, to both our residents and our public servants, to fix this problem now before we see more cities, counties and government agencies slip into insolvency. That last thing we want is for our retired public servants to lose their accrued benefits when they are counting on them the most (as has happened in the bankrupt cities of Stockton, Central Falls, RI, and very possibly Detroit). This initiative provides the tools we need to ensure we can pay our employees the benefits they earn, without gutting essential services or placing unbearable burdens on our taxpayers.

The politics of dysfunction are easy. Finding real solutions to serious problems is hard. Let's make this an example of how we can rise above the politics of dysfunction and achieve a fair and reasonable solution for the benefit of all Californians.

Performance Funding Underperforms

Inside Higher Ed

November 18, 2013

## By Doug Lederman

ST. LOUIS -- Around the country, legislators have rushed (and continue to rush) to adopt systems that allocate funds to colleges based partly or heavily on performance indicators rather than enrollment, as has historically been the case.

A <u>new round of research</u> on such programs suggests that, to the extent states are trying to increase degree completion, the programs generally do not work.

Several papers presented here at the annual meeting of the Association for the Study of Higher Education explored what Michael McLendon of Southern Methodist University called the performance-based funding "craze," which has become a widely embraced and copied strategy for governors and legislators trying to improve the effectiveness and efficiency of their public higher education systems at a time when they lack either the money (or the will) to spend more on them. (As a side note, the session was one of many -- more than usual at a meeting <u>long filled with handwringing</u> about <u>the policy-related relevance</u> of their work -- focused on important issues that are topping policy agendas around the country.)

The session at which three of the papers were presented broadcast their overall findings in its title: "The Myth of Performance-Based Funding." One paper, by Tiffany Jones of the Southern Education Foundation, examined the extent to which historically black colleges are especially likely to be hurt by state policies that link funding to simple metrics (like graduation rates) that don't take into account the academic preparation of colleges' students and their levels of institutional funding.

Another, prepared by a group of scholars affiliated with the Community College Research Center at Columbia University's Teachers College, <u>examined the goals and policy approaches</u> of performance-based funding systems and concluded that they are sometimes ill-defined and overly narrow, and that they too rarely anticipate (and try to guard against) unintended consequences that can result.

A third paper looked much more directly at what the performance-based programs are accomplishing. The authors, David Tandberg and Mohamed Barakat of Florida State University and Nicholas Hillman of the University of Wisconsin at Madison, examined performance-based systems in 19 states and found that while those programs were largely designed to increase the number of students completing associate degrees, it did so in only four of them. In six states completions actually declined, and in nine others, the patterns were inconclusive.

Another study by the same authors uncovered similar results for bachelor's degree productivity, with a positive impact in four states, a negative effect in four, and no effect whatsoever in 12 others.

"There is no meaningful evidence of effectiveness, but we see a rush toward adoption," said Tandberg, an assistant professor of higher education at Florida State. "It seems as though there is something other than evidence at work here."

What may be at play, said Kevin J. Dougherty, an associate professor of higher education at Teachers College, is that states may be feeling pressure to "jump on the bandwagon" so as not to appear to be "laggards in the competition for effective policy."

That is especially true, he and others said, given that outside groups like Complete College America and the National Center for Higher Education Management Systems are aggressively advocating for performance funding, framing it as an "attractive policy that seems to fit this time of constrained finances."

Earlier analyses have suggested that one of the major limitations on the impact of performance-based funding is that many of the first major round of such programs were restricted to relatively small amounts of state appropriations to public colleges, and therefore may have been too constrained to change institutional behavior.

Tandberg said that many advocates for performance-based funding argue that the programs' effectiveness will grow as the state appropriations linked to them does, and that it was too early to gauge the success of the most recently enacted performance-funding systems, which tend to have higher stakes. "The jury's still out on Performance Funding 2.0," he said.

Added McLendon, Centennial Professor of Education Policy and Leadership and associate dean of SMU's School of Education and Human Development: "One response may be, 'Let's not give up on performance funding -- let's everywhere make this a really sharper-toothed program.'

But for now, "if these authors have it all right, the weight of the evidence is against performance funding," McLendon said. At a time when policy makers are expressing a desire to make decisions based on data, and "increasingly asking researchers like those at ASHE to give them research that has real-world policy consequences, it will be an interesting collision of wills when research about the failure of performance funding meets the ideological commitment of states to move forward with it."