President’s Message:

I am sad because we have recently lost three members who were also recipients of our Leadership Awards—Del Della Doro, Maury Dance, and John Sims. I am sad because of our United States presidential candidates and what they say and what they represent. I am sad because El Nino seems to be a bust and we may have to stop flushing again. And I am sad because so many of us have the virus which is so debilitating. And I am sad that I have difficulty remembering other things I am sad about. (Do you have CRAFT—can’t remember a frigging thing?)

On March 3 Carol Castagnozzi and I will meet with John Wenzler, Dean of the Library, for a tour and lunch when we will discuss the use of the ERFA Library Endowment. The proceeds were not used last year and we want to make sure that it is used for the purpose for which it was established. It is to be used to add to the collections.

We are fortunate to have Professor Ben Bowser speak at the luncheon on April 5. He was so well received when he talked to us about the California State University system. This will be a more personal historical talk about the Bowser Family.

It is important that we attempt to recruit new members as there is obvious attrition because of illness, death, and fewer retirements. Statewide ERFA is experiencing the same problem and is considering adding staff members to increase the membership numbers. That should mean that the direction of the organization may change. Then there would be more money available for more of their meetings.

David Stronck received a $1000 grant from the ERFA Grants Committee for "Measuring, Monitoring and Analyzing the Growth of Trees in Reforesting 10,000 Acres of Southern Alameda County.” This is the sum which he requested, adding to $70,000 from another source.

The Statewide ERFA twice yearly meeting will be held at San Jose State in April. You are welcome to attend.

Bea Pressley, President
**Fall Luncheon, Tuesday, April 5, 2016**

Guest Speaker: Professor Ben Bowser on Bowser’s Children  
Time: Gather starting at 11:30 am, social hour of 45 minutes, sit down 12:15 pm  
Place: Asian Buffet, 24100 Mission Boulevard, Hayward, at Fletcher Lane.  
$20, in cash or by check, on arrival. All you can eat, a wide variety of dishes, soft and other drinks, even wine, dessert, and gratuity, buffet style. Cost includes donation to the Renaissance Scholar program and a gift certificate for the speaker to the Friends of Castro Valley Library Bookstore.

Make checks payable to Helen Sowers, our treasurer.

Reserve the date, April 5. Please make reservations by Friday, April 1, with  
- Jack Kilgour, (510) 582-8760, john.kilgour@csueastbay.edu or  
- Bea Pressley, (925) 946-9786, beapressley@mac.com

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**Academic Emeritus Senator’s Report**

The February 23 meeting of the Academic Senate finally reached a conclusion to a long running debate over the wording of the General Education Learning Outcomes. The GE Subcommittee did the main work of processing inputs into a consensus draft, which came to us with the latest edits in red and strikeouts. “Analyze cultural production,” stopgap wording from the previous meeting, became “Analyze cultural production as an expression of, or reflection upon, what it means to be human.” The document is full of language like this for what students will be able to do. My literal mind tends to mistrust generalizations and to think in terms of examples and statistics; I have no idea how to tell if students were able to analyze culture the way they should. Not sure I can, actually.

An oddly related debate took place over course characteristics (e.g., “a minimum of 4,000 assigned words…”), which were specified for only two of the four areas and weren’t really outcomes. Should they be in a separate document? The Senate decided to keep them in, a position I supported. My take is that it is almost impossible to tell what students are able to do after we teach them, but it is possible to know what we do to them. Specifying course characteristics would be useful given the difficulty of measuring outcomes.

President Morishita appealed for calmness and respect for differences to avoid lasting animosities from a strike. CFA Leader Nick Baham of Ethnic Studies agreed and emphasized that the faculty was striking over love for higher education and our university. I have a hard time using the word “love” in private let alone public, but I was in full agreement with him, especially if I am still allowed to feel p__ed off at administrators, Trustees, and Legislators. But then thinking about national politics helps put all in perspective.

President Morishita also wanted to have one more appointment to the selection committee for a new provost in addition to the one he has. His experience was that an additional perspective would help him make a better appointment, while others might see it as just getting more power. I agree with the President on this one.

Having seen our President several times, I am impressed by his command of a wide range of things he is dealing with combined with a great concern with how people feel and expressing appreciation for what others are doing. It would also be nice if he would answer the letters I send him.

By the way, all good Academic Senators have IPads and can see all the items on the screen.  
Sherman Lewis, Academic Senator for Emeriti
A Good Man Gone

It’s appropriate to note with respect the passing of Maury Dance, Academic Vice President and Provost at CSUH from 1969 to his retirement in 1990 and an active member of ERFA. We saw fit to honor him at a recent luncheon, a recognition he richly deserved.

Just what made Maury a special kind of academic administrator? For one thing, he never forgot what a university was, namely, a faculty, a gathering of men and women with special knowledge in a variety of fields, doing research in their areas of expertise, and ready to share their lore with students. He demonstrated this focus in many ways but perhaps most vividly during CSUH’s lay-off crisis in the 1974-75 academic year when enrollments at the university faltered. Maury and his deans, with help from faculty and creative budget managers like Earl Nordstrom, set themselves the task of avoiding layoffs, protecting the young talent that made up the future of the university. Where possible, faculty were shifted from overstaffed to understaffed departments, leaves extended, and assignments made to Summer Quarter teaching. These and other creative tactics succeeded. No one at Hayward was laid off.

Another admirable trait was his honesty. Those of us who did the hard work of representing faculty in grievance and disciplinary cases always knew Maury as a truth teller, a man of his word. He didn’t play games with promotion and tenure documents, cutting corners to gain advantage. All the materials germane to an issue were available. And when an agreement was struck to settle a hard case, his word was a reliable bond. A handshake rather than a document was often enough to resolve a dispute. We might add that he did not hold grudges. When one of these difficult matters was settled, that was that. Personal qualities like these are especially valuable when an administrator has the authority of an academic Provost. Power corrupts? Not so much if it is wielded by someone with character, someone like Provost Dance.

Maury was also an astute talent scout, looking for potential deans, vice presidents and other administrative officers who shared his ideas about what a university should be. And once he made a choice, he didn’t micro-manage or hover over his cadre. His role was always that of mentor and, when asked, advisor. Those who worked directly for him treasured this “hands off but always ready to help” approach, and it served the university well.

During the period after the lay-off crisis (roughly 1975-1990), our University entered a time characterized by the healthy development of new programs and gradual growth of the student body, all accomplished against a background of fiscal austerity. Maury was tasked with the management of this difficult situation. He was highly successful, able to provide careful growth while satisfying the ambitions of his many constituencies. Any of you who attended the first annual Faculty Follies may recall the performance of a somewhat rhythmically challenged rap group called “Dr. Dance and the Deans.” Among the lyrics performed were the following lines:

Dr. Dance is the boss of the deans….
People come from out of state
Just to watch him allocate.

Putting aside any larger poetic meaning these words may bear, it’s clear the deans were honoring their provost for his exceptional skill and fairness in the allocation of limited academic resources.

The list of Maury’s virtues is a longer one, but let the examples above suffice for now. We offer best wishes to his wife, Anita, and to his family. Maury was an admirable academic leader and a fine man. We pay tribute to him here in full knowledge that he helped make our own years at CSUH rich and fulfilling ones.

Bill Reuter and Alan Smith
California adopted health care benefits for State employees and retirees in 1961. They were and are funded on a pay-as-you-go basis. Medical claims are paid as they occurred from the General Fund.

The Governmental Accounting Standards Board (GASB) promulgates accounting and reporting standards (statements) for state and local governments. These standards are incorporated into the Generally Accepted Accounting Practices (GAAP) that states require in their accounting and auditing.

In 2004, GASB adopted Statements 43 and 45 pertaining to Other Postemployment Benefits (OPEB). OPEBs are mainly health and related benefits. GASB 43 applied to trusts and GASB 45 to employers (governments). GASB 45 requires that unfunded accrued actuarial liabilities (UAAL) be amortized over a maximum of 30 years. That amounts to a 30-year full funding requirement. GASB issues accounting and reporting requirements, not funding requirements. Employers may continue to operate on a pay-as-you-go basis or on a partially funded basis.

GASB 45 also addressed the assumed discount rate that a sponsoring government must use. The discount rate is the interest rate that is used to convert future health care (and pension) obligations to present value. It is like the interest rate on a mortgage running backwards. The present value of future obligations drives the Annual Required Contribution. That’s how much money is supposed to be contributed to the plan to cover its “normal cost” (benefit costs and administrative expenses) and a portion of the UAAL for the plan year. The higher the discount rate, the smaller the ARC and vice versa.

GASB 45 requires the use of a split discount rate. For those liabilities backed by assets, the sponsor may use a discount rate based on its assumed rate of return on invested assets. CalPERS currently uses 7.5%. For those liabilities not backed by assets, the sponsor must use a discount rate based on its short term borrowing costs, say 4%. If the retiree health care plan is partially funded, a proportional “blended” rate is used. Retiree health care benefits for California State and CSU employees have no assets and so must use the lower short term rate.

In 2007, the State established the California Employers Retiree Benefit Trust (CERBT) Fund and encouraged local governments to use it to prefund their retiree health benefits. To date, 450 local public employers have contributed a total of $4.4 billion. The State has not contributed.

State Controller John Chiang issued his first report on retiree health benefit funding in 2007 and found that the UAAL amounted to $47.8 billion. As of June 30, 2014 the present value of the promised but unfunded retiree health benefits over the next 30 years came to $71.8 billion. That is up from $64.6 billion a year earlier.

In his 2015-2016 budget proposal, Governor Jerry Brown proposed that employees pay for half of the future normal cost of retiree health care benefits. The government would pay the other half. This idea had been part of Brown’s 12-point plan that led to the CalPERS pension reform proposal of 2012 (AB 340), but was not adopted. The current, 2015 proposal is to be implemented through collective bargaining, not legislation. The proposal would require State and CSU employees hired after 2015 to contribute 3% of earnings to pay for retiree health benefits.

If implemented as proposed, the UAAL would be eliminated by about 2046. If nothing is done, the UAAL would be over $300 billion by then.

Another part of the proposal delays eligibility for retiree health benefits, currently 50% coverage after 10 years of service increasing by 5% per year until it reaches 100% after 20 years. This would change to 50% coverage after 15 years, increasing by 5% more per year until it reaches 100% after 25 years.

The Governor’s proposal also calls for CalPERS to establish a low-cost / high-deductible retiree health benefit option. Presumably, employees would make this decision early in their careers. This could
lead to "adverse selection," underinsuring themselves and increased costs in other plans due to healthier participants choosing the low-cost plan and less-healthy participants remaining in the other plans.

Since the early 1990s, the State has paid 80% (in some cases 85%) of the cost of health benefits for active employees and 80% for their dependents, the 80/80 formula. When they retire, the formula goes to 100% for the retiree and 90% for dependent coverage. Governor Brown wants to end this anomaly by reducing the retiree rate to 80/80. Unlike other state employees, currently active CSU employees were able to retain the 100/90 formula. Not addressed (as far as I know) is the fact that they remain on the 100/90 formula. New CSU employees would likely go to 80/80 too. The Governor's proposal does not cover whether CSU retirees would shift to the 80/80 plan.

In March 2015, the nonpartisan Legislative Analyst's Office (LAO) reviewed the Governor's proposal and recommended that the legislature hold hearings on the proposal even though it calls for minimal legislative action. The LAO pointed out that it may not make sense to develop and implement an elaborate prefunding mechanism to support a retiree health care system that may no longer be needed. A lot has changed since 1961 when the current arrangement was adopted. Medicare was enacted in 1965 and the Affordable Care Act (Obamacare) in 2010 with its cost controls, guaranteed issue, marketplaces and subsidies.

Thus far, the legislature has taken no action. However, Governor Brown’s 2016-17 budget proposal (released 1/7/16) states that the Administration remains focused on eliminating the $72 billion unfunded retiree health care liability by prefunding through collective bargaining.

Relax. It is unlikely that this will affect those of us who are already retired any time soon.

John G. Kilgour, ERFA/CSUEB

Obituaries

Ruthy Stephan maintains http://www20.csueastbay.edu/oaa/memorial/index.html honoring deceased tenured and tenure-track faculty. It has links to more details.

John Sims, Professor Emeritus of the Department of Management, deceased November 29, 2015. He began his career at CSU, Hayward in 1965 and retired in 1983.

Dr. Surendra Pradhan, Professor Emeritus of Management, deceased, Dec 12, 2015.


Dr. Maurice Dance, Professor Emeritus of the Department of Economics and former Provost and Vice President of Academic Affairs, deceased, January 10, 2016. He served as Provost and Vice President of Academic Affairs from 1969 to 1990.

Dr. Delmo Della-Dora, Professor Emeritus of the Department of Teacher Education, deceased December 22, 2015. He began his career at CSU, Hayward in summer 1973 and was Chair of the Department of Teacher Education from fall 1973 to fall of 1978. He retired in September 1992.

Dr. Diane Satin, Professor Emerita, Department of Accounting and Finance, began in September 1990 and served to 2006, deceased January 9, 2015.

Dr. Douglas Sprague, Professor Emeritus of Educational Psychology, deceased, January 6, 2016, He began his career at CSU, Hayward (East Bay) in the fall of 1965 and retired in June 2001.
City Of Hayward Wages Quiet War on Downtown and the Environment

The City Council knows about global warming and they’re against it. Well, sort of...maybe... They support the Bayview Village concepts and have a Climate Action Plan. The problem is that the City is now aggressively pursuing development plans that will damage downtown and the environment virtually forever. They got the climate change memo; they just don’t know what it means, and so they pursue policy diametrically opposed to smart growth and sustainability. It’s democratic; that is, their thinking reflects our common car culture. But, as a governing body responsible for the long term well-being of Hayward, the City Council needs to do better.

The State of California has been a leader with its cap and trade program generating funds for less car-dependent development. The state’s Strategic Growth Council (SGC) is talking about catalytic projects, which are large projects with state-wide significance. The SGC funds the Affordable Housing and Sustainable Communities Program with about $320 million available this year. Hayward should promote projects that are eligible for AHSC funding, but if they are, it’s being kept secret. The deadline for applications is March 16.

HAPA wants to apply the benefits of concepts developed for Bayview Village to downtown development. The Bayview Village concepts apply strongly to downtown and are summarized in a new document, Walking-Oriented Development. The City is pushing to develop two large projects downtown: the Maple Main proposal has 235 rental units with bundled parking, 470 parking spaces, and a 6 story parking garage; the Lincoln Landing proposal has 486 rental apartments with bundled parking and 1,064 parking spaces. The Loop is a disaster of expressways around downtown, intimidating pedestrian access to downtown businesses from these projects. The City has contracted to destroy a large and still useful library building that could easily be used for a community center downtown; we have about 20 months to save it.

We need EIRs on these big parking projects. We need to develop alternative plans for walking-oriented development, hopefully getting some help for architectural, traffic, and financial analysis. We want to work with downtown business to oppose the city-proposed special tax until the Loop is reformed. We need to analyze the increase in surface parking possible with Loop reform and other access ideas to revitalize downtown. We need to overcome our dependency on cars. We need EIRs on these big parking projects. We need to develop alternative plans for walking-oriented development, hopefully getting some help for architectural, traffic, and financial analysis. We want to work with downtown business to oppose the city-proposed special tax until the Loop is reformed. We need to analyze the increase in surface parking possible with Loop reform and other access ideas to revitalize downtown. We need to overcome our dependency on cars.

Sherman Lewis, President, Hayward Area Planning Association (HAPA)