

APRIL 2013

Arthur J. Rolnick speaks to the economic case for investing in early childhood education

The UMRA luncheon on April 23 will feature Arthur J. Rolnick speaking on “The Economic Case for Public Investment in Early Childhood Education.” Art is a senior fellow in social policy at the Humphrey



School of Public Affairs at the University of Minnesota where he teaches in the school’s Social Policy curriculum.

He’s a Michigan native, who received bachelor’s and master’s degrees from

Wayne State in mathematics and economics. He earned his Ph.D. in economics in 1973 at the University of Minnesota and spent his professional career at the Ninth Federal Reserve Bank in Minneapolis. At the time of retirement in 2010, Art was senior vice president and director of research at the Fed.

Art’s interest is on the nature of public goods, rules and regulations governing their creation, and questions of when government should allow individuals and businesses to pursue their interests in the marketplace vs. when government should intervene to protect the public interest.

His early studies focused on regulation and competition in the U.S. banking industry, and controversy over the impact of branch banking, which was forbidden in some states and allowed in others. He contributed to the mid-1980s debate over bank deregulation and whether banks should get into the business of non-bank functions. By the 1990s he was reviewing mid-19th-century banking

history and the banking crisis of the 1930s to shed light on later debates, including the savings-and-loan bankruptcies and bailouts of the 1980s.

In the early 1990s, Art began writing about state and local economic development schemes. In a 1993 paper titled “State and Local Economic Development Policy, a Zero Sum Game ... or Worse” he contended that these policies are counterproductive and actually result in a net loss to the economy. A 1994 paper on the financial troubles of the Timberwolves and Target Center was titled “We Don’t Need Study to Conclude Bailing Out Arena Isn’t Wise.”

He wrote, “[T]here are generally three instances when markets tend to fail: in providing goods that others can’t be excluded from consuming (public goods like national defense); in providing goods that result in side effects, both negative and positive (like when the production of goods results in pollution, and when education results in a better citizenry); and in providing goods that can be produced more cheaply in large quantities (utilities like water, electricity, or gas).”

According to this reasoning, he argued, the 2005 U.S. Supreme Court ruling in *Kelo v. City of New London, Conn.*, supporting eminent domain to foster economic development, would lead to diminished rather than enhanced economic growth and the public good. Art’s recent work examines early childhood development and argues that expansion of ECD programs would aid economic growth.

— John Adams, President-elect

UNIVERSITY OF MINNESOTA

APRIL
LUNCHEON MEETING

Tuesday, April 23, 2013
11:30 a.m. – 1:30 p.m.

Featured Speaker

Arthur J. Rolnick, Humphrey School of Public Affairs
“The Economic Case for Public Investment in Early Childhood Education.”

Location

Conference Room ABC,
Campus Club, Fourth Floor,
Coffman Memorial Union,
East Bank Campus, U of M

Menu

Frittata with cheddar, asparagus, and spinach with mixed greens salad; for vegetarian or gluten-free options, please request when making your reservations.

Reservations ARE Required Deadline: Thursday, April 18

Options: Prepayment of \$14 per person; \$16 at door for reservations not prepaid. Annual prepay-ers **must** also make reservations.

To reserve your place(s), prepay with a check payable to UMRA; send to UMRA Reservations, c/o Judy Leahy Grimes, 1937 Palace Ave., St. Paul, MN 55105-1728

Or, contact her before the deadline at 651-698-4387; e-mail: Jleahy4654@aol.com.

Please honor the reservation deadline date; if cancellations are necessary, please call by April 18.

Ramp and garage parking with UMRA’s discount coupon — \$6

FROM THE PRESIDENT

Nominations are open for Volunteer Service Awards

During 2012, UMRA established a “Service Engagement Committee” to identify and implement service projects that UMRA members can do jointly to benefit either the University community or external communities. The committee would coordinate their activities with the University Retiree Volunteer Center (URVC), the U’s Community Service-Learning Center, the U’s Office for Public Engagement, and possibly the Alumni Association.

Among the activities this committee will coordinate include establishing outstanding service awards, joint projects with other units, and lectures and workshops on community service. Further action might be to explore the possibility of awarding grants for community service research, planning, service delivery, and/or evaluation.

The members of the UMRA Service Engagement committee include Victor Bloomfield, chair; John Adams, Earl Nolting, Tom Scott, and John Anderson. Committee membership is open to adding others if this work is of interest to you.

In late 2012, Victor Bloomfield, John Adams, and I met with Andrew Furco, U of M associate vice president for Public Engagement. We discussed possible projects involving students and other projects, one of which was a public engagement awards program for which retirees would be eligible. Another was a lectureship program, perhaps in collaboration with UMAA. Even though UMRA and URVC programs might at a later time be merged into the VP’s office or a future retiree center, UMRA will go forward with its service activities. The committee has begun its first major initiatives.

UMRA awards for Retiree Outstanding Service

What is so important about a retiree awards program is that it expresses a high value and priority for service work of all kinds, but especially service to University and external communities. Service work for retirees is known to be beneficial not only for community recipients, but also for individual retirees, giving them greater meaning and stimulation in later life. In addition, community service enhances the reputations of the University and UMRA.

Some years ago, UMRA established the URVC (University Retiree Volunteer Center), which later became a separate organization and a unit within the University with a U of M budget. In this awards project, we propose to

work jointly with URVC. Two of the five awards would be under the purview of URVC and managed by them.

On March 26, 2013, the UMRA Board approved the plan for the awards and activities described below, with the understanding that the Service Engagement Committee will have considerable leeway to define the UMRA awards, solicit nominations, select the nominees, and administer the awards annually.

Awards

1. Outstanding Service to UMRA, recognizing exemplary voluntary contributions to the organization of UMRA;
2. Outstanding Service for the University of Minnesota, recognizing outstanding unpaid work toward fulfilling the mission of the University, which can be assessed in terms of either quantitative or qualitative activities or both;
3. Outstanding Service for Community Service, which refers to any communities external to the University; the service includes work addressing any type of issue—including social services, environmental services—any area that can be characterized as having unmet needs;
4. Outstanding Service for URVC, recognizing exemplary voluntary contributions to the organization of URVC ;
5. URVC Volunteer of the Year, recognizing exemplary volunteer performance such as total hours contributed, recruitment of additional volunteers, or innovative solutions that improve the effectiveness of volunteer services.

The URVC’s awards will be managed by URVC, either from a subgroup of the Service Engagement Committee or by its Board. The UMRA Encore reporting system will be helpful in tracking and providing a rich source of candidates for outstanding service awards, both to the University and the community. UMRA members are also encouraged to nominate friends they know who fit these award descriptions. We hope to present the UMRA awards at the annual meeting of UMRA members each May.

Request for nominations

At the end of March, committee chair Vic Bloomfield sent out a request for nominations to the UMRA membership via email. The request asks for a brief (one page should suffice) letter of nomination detailing the nominee’s contributions. Supporting letters would be desirable but not essential. Deadline: by April 26. The plan is to announce and make awards at UMRA’s May 28 Annual Meeting during the luncheon. Please send nominations for any of the above awards to the committee chair, victor@umn.edu.

— Ron Anderson, UMRA President (rea@umn.edu)

Gmail and Email training workshop, April 23

Reed Munson, who last year graciously gave an Internet workshop for UMRA members, will bring us another workshop following the April 23 luncheon. The workshop is free for UMRA members; you are encouraged to bring a laptop.



At least half of all U retirees have already converted their email accounts to Gmail, even though the email address itself does not change at all. We have been notified that the remaining retirees will be automatically converted in early April, if they have not yet done so on their own. The transition

is seamless except for a few users who have huge email files or are still using old clients like Eudora.

Ron Anderson conducted a survey of 50 UMRA users. It appears that the need of highest priority is for help with the basic elements of email management, such as address book maintenance and organizing messages and attachments. Reed will address these challenges as well as the confusion resulting from different terms for program functions. For instance, the U of M now uses the term “messaging” instead of “emailing.” What are “labels”? And how do “contacts” differ from address books? What is the difference between a client emailer and a web emailer? What is the difference between Gophermail and Gopher Gmail? People use the term “Gmail” in several different ways. How can we figure out which people are referring to, when they say “Gmail”? What do Googleese terms mean: for example, Google docs, Google drive, and Google hangouts? The workshop will include a brief overview of these new Google apps and how they might help or not help U retirees.

We discovered that a number of retirees have their own personal Gmail account as well as a U of M Gmail account. Neophytes find the dual system bewildering; experts want to know how to link them together. The workshop will focus on the U of M Gmail account and how to make it work best for you. Reed will also discuss the relative advantages and disadvantages of using desktop clients like Apple Mail, Thunderbird, and Outlook rather than Gmail on the web.

If there is time, Reed can deal with more specialized questions like when to use Dropbox. For specialized conversion problems, retirees may find it useful to arrange a private tutorial with Reed at their home or office. The OIT webpages are constantly being updated, so don't forget to check with the local documentation now and then. Try starting with: <http://www.oit.umn.edu/google/using-gmail/index.htm>

And bring your laptop and your questions to the workshop.

URVC seeks volunteer judges and proctors for national academic competition in April

Each year the United States Academic Decathlon (USAD) holds an annual national competition for high school students. This year it is hosted at the Minneapolis Hilton on April 25 and 26. The University Retirees Volunteer Center is partnering with USAD in seeking judges for speeches and interviews as well as proctors for the written examination. The topic for this year's competition is “Russia.” More than 350 students from across the nation are expected to attend.

Retired faculty are encouraged to participate as members of the judging panels on Thursday, April 25, from 3:00 to 8:30 p.m. Training and dinner will be provided. There are two categories of speeches—prepared and impromptu. Simultaneously held, separate panels are organized for contestant interviews. You are asked to choose one or the other.

All retirees (and spouses and friends) are needed as proctors for the objective test on Friday, April 26, from 6 a.m. to noon. Training and breakfast will be provided. Those who volunteer to be judges may also choose to be exam proctors.

For information or assistance with registration, reply to Alan Kagan, URVC project director, at urvc@umn.edu.

Participate in planning for upcoming Big 10 retirees conference in summer 2014

UMRA will be hosting the Big Ten Retirees Associations Conference in the summer of 2014 (Friday through Sunday, August 8–10). While formal sessions will focus on the theme of “Retiree-University Synergy,” special activities will also showcase the University of Minnesota to out-of-town participants who will be staying at the Commons Hotel.

Committees are getting under way to develop plans. If you would like to participate in the planning process and/or the actual roll-out of the conference, please contact one or more of the following committee leaders:

Hospitality—Pat Tollefson, p-toll@umn.edu

Program & Entertainment—Gayle Graham Yates, graha001@umn.edu

Menus—Jan Hogan-Schiltgen, jhogan@umn.edu

Tours—Kathy O'Brien, kobrien@umn.edu

Budget & Finance—Dick Skaggs, skaggs@umn.edu

Immediately following the Big Ten conference, Minnesota will also host the Association of Retiree Organizations in Higher Education (AROHE) Sunday–Wednesday, August 10–13. Although AROHE staffs the programming, some UMRA members will be needed to help with local arrangements. To be involved, email Ron Anderson, rea@umn.edu.

Encore Careers: The several retirements of Judy Leahy Grimes

UMRA members know Judy as the efficient volunteer who, after participating in our “revolving reservations management” for a couple of years, decided to take responsibility as full-time reservationist for 2012-13. We all sincerely appreciate having a single contact we can count on. Judy goes about her work with such quiet grace that few of us realize just how many other interesting activities she is into. So, we asked her long-time friend, Betty Radcliffe, to tell us about Judy’s many “encore careers.”

As 1960 graduate of the University of Minnesota with a B.A. in English, Judy was delighted to find a position at the University’s Humphrey Institute in the fall of 1983. She served as executive secretary to the institute’s first associate dean, Royce Hanson, and then his successor, Paul Light. When Dr. Light left the institute, she began working with Professor Samuel Myers, director of the Roy Wilkins Center for Human Relations and Social Justice. Dr. Myers’s hearing was deteriorating, so she began to sit next to him in the classes he taught and meetings he attended, taking notes to supplement and verify what was being said. I was always impressed with her ability to stay cool and help Sam accurately understand the conversations.

In her work with Dr. Myers, she traveled to South Africa in 1998 for research at the time when apartheid was being dismantled. She was very impressed with Alexander Bournaine of the Truth and Reconciliation Commission there. Later that year, as part of the planning team for the Wilkins Center’s Second World Conference on Remedies to Racial and Ethnic Inequality, she traveled to Australia.

In June 2002, as Judy retired from the University, Josie Johnson asked if she would help out at St. Peter Claver School in St. Paul. When the principal asked her to sign on as her assistant, Judy decided to accept. She knew and admired St. Peter Claver parish, and it was convenient to her Macalester-Groveland home. She quickly came to admire the principal, Teresa Mardenborough, who had herself come out of retirement the previous year to establish a culture of excellence in this K-8 school. Judy had never worked in a school, but she had a good teacher’s temperament—calm, unflappable, and always caring—traits that served her well in dealing with students who were sent to the principal’s office or who got sick and needed to go home.

Again, in June 2009, Judy retired. Now, she could attend her college club’s daytime events as well as many other lectures, seminars, and short courses that intrigued her. She was eager to join UMRA and more recently, as an avid reader, the UMRA book club. And, she welcomes volunteer opportunities, especially those that offer a chance to both



Presiding over the nametag table has its privileges. Judy was the first to greet our February guest speaker, Garrison Keillor.

learn and serve. Judy has always been one to draw out others rather than to talk about herself, so the U’s Partners in English program was a good fit. She greatly enjoyed getting to know the Japanese graduate student she was assigned.

Of course, former jobs always have their pull. In 2012 Dr. Myers asked her to be on the planning committee for the Fourth World Conference on Remedies to Racial and Ethnic Economic Inequality (in Minneapolis that October). With her past experience in planning conferences for the Roy Wilkins Center, of course she said, “Yes.”

Judy is a patron of the arts— theater and music her favorites. I’m always amazed at how much she manages to pack in. But family is the core of her being, and I think she hosts a family dinner almost every weekend. Judy and her husband, Patrick, had four daughters, three of whom live in St. Paul. Patrick died in 2003. She married Dick Grimes in 2009.
— Betty Radcliffe, UMRA member

Help manage the 2014 AROHE conference

UMRA will host the 2014 Association of Retirement Organizations in Higher Education (AROHE) conference at the Commons Hotel in Minneapolis, August 10–13. We expect about 150 representatives from institutions all over Canada and the United States. The conference planning committee, chaired by Ann Marie Kohner, director of the Winona State University Retiree Center in Minnesota, will coordinate details. Volunteers will be needed to help with planning and managing the event. Contact Ron Anderson (952-473-5910) or email: rea@umn.edu if you would like to assist.

Securian Financial Services reports strong performance for 2012, new tools for 2013

During the March 5 meeting of the University of Minnesota Retirement Committee the Securian Financial Group reported and discussed their 2012 financial results in some detail. Securian reported continued strong performance during the past year.

Securian expanded sales of the products they sell (which include life insurance, credit insurance, retirement plans, and individual annuities) 9.3 percent during 2012. They have a compounded rate of growth of 10 percent over the past four years. This is important to us as investors, because strong growth enables Securian to increase their financial reserves, which is their “cushion” to fulfill their promise to pay.

There are numerous ways to measure whether this cushion is large enough to assure us that the company is financially sound. One of the primary measures used by insurance regulators is the risk-based capital ratio. This measure estimates the minimum amount of capital appropriate for an insurance company to support its overall business operations considering its size and risk profile. The recommendation is that the company’s capital and surplus be at least 2 to 3 times this minimum amount. Securian’s risk-based capital ratio was 5.18 at the close of 2012, third highest in its peer group of 20 insurance companies, and slightly higher than one year earlier.

Discussing their investment portfolio, Securian says it has a very diversified portfolio of bonds, mortgage loans, public

equity and other assets, with very limited exposure to any one investment (the top 10 exposures represent 2.8 percent of the portfolio). They reported no delinquent loans or defaults in the portfolio as of 12/31/2012. They also had no direct exposure to European government debt.

The U Retirement Committee has been encouraging Securian to provide more information for clients to use to evaluate the variability of returns for individual investment alternatives and for their total portfolios. In response, Securian has made additions to their website during 2012 that should help clients do both.

- 1) They developed more comprehensive fact sheets on each of the investment options. The fact sheet for each investment includes the standard deviation and Beta, Morningstar rating, Morningstar style box, investment category description, and a volatility analysis.
- 2) They made a Monte Carlo simulator available that one can use to illustrate the range of investment return outcomes given a beginning balance, contributions/withdrawals, the portfolio allocations, and the number of years in the planning horizon. The simulator graphs the outcomes at the 15th percentile, the average, and the 85th percentile to illustrate the variability of the outcomes for a portfolio the user specifies.

You will find these tools and more information on their website at www.umnplans.securian.com

— Vern Eidman, UMRA Representative to the University of Minnesota Retirement Committee



At the March luncheon program President Ron Anderson and speaker Krista Tippett, creator of public radio’s “On Being,” engaged in conversation about meaning, spirituality, and ethics in the midst of 21st century cultural and technological shifts. UMRA members were treated to a sampling of Tippett’s talent for creating an intellectually open space in which a wide range of extraordinary minds can speak to their truths. If you missed this program, visit her website (www.onbeing.org/) for current shows and archived interviews.

Welcome new members to UMRA

Please give a hearty welcome to new members who have recently joined UMRA. Greet them at the next luncheon meeting, and add them to your 2011-13 UMRA Directory.

Leon and Alma J. Satran, Pediatrics - Medical School, Faculty
1521 Alpine Pass, Minneapolis, MN 55416
762-374-4092; satra001@umn.edu

Vernon B. Cardwell and Rosemary Graham, Agronomy and Plant Genetics, Faculty
6240 213th Lane N.E., Wyoming, MN 55092-9411
651-462-2061; 612-625-6754; cardw001@umn.edu

Ruth-Ellen B. Joeres, German, Scandavian, & Dutch, Faculty
164 Nina St., Saint Paul, MN 55102-2160
651-222-3859; 612-625-9034; joere001@umn.edu

Vincent R. and Mary Kay Hunt, Family Practice/Community Health, Faculty
221 Station Circle N., Hudson, WI 54016
715-254-0931

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 McNamara Alumni Center
 Room 264, Suite 250
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For your calendars – relevant programs

- April 23** at 11:30 a.m. – UMRA Luncheon Presentation: Arthur Rolnick, former vice president of the Federal Reserve Bank of Minneapolis and now senior fellow, Humphrey School of Public Affairs: “The Economic Case for Public Investment in Early Childhood Education”
- April 23** at 1:30–2:30 p.m. – Technology workshop on using University email services and specifically demonstrating gmail. —Reed Munson, instructor
- May 17**, 8:30 a.m.–3:30 p.m. – Evolve Course on Human Leadership (see article in UMRA’s February Newsletter)
- May 28** at 11:30 a.m. – UMRA Annual Meeting and Gala Luncheon. Presentation: Paul Rosenblatt, professor emeritus, Family Social Science: “Two in a Bed and What Couples Know and Don’t Know about Each Other”

In Remembrance

We report the passing of UMRA members as we learn of losses to our UMRA community. Our condolences to the family and friends of:

John H. Kersey, M.D., Masonic Cancer Center faculty, died March 10, 2013, at age 74.

The Board of Directors and members of UMRA wish to thank the University of Minnesota Foundation for sponsoring the UMRA April Newsletter. Below we present their message.



Grow a Legacy in Maroon and Gold

You have deep roots at the University of Minnesota. You can continue to nurture your area of interest at the U far into the future with a planned gift:

- Bequest in a will or trust
- Naming the U as a beneficiary of retirement assets or life insurance
- Gifts that provide an income to you or others

For more information, contact U of M Foundation planned giving representative Lynn Praska: 612-624-4158 or lpraska@umn.edu

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