Surviving the Economy

A $700 billion rescue bailout. Failed mortgages. A weak dollar. An economic structure in crisis. The recent financial horror stories seem almost endless. To get an expert perspective on the situation, we talked with Richard (Rick) Hein, CEO of the OSU Federal Credit Union. Rick grew up in Phoenix, completed a degree in criminal justice at TCU, and worked in the Dallas Police Department for two years before changing career tracks. He got his first personal loan at age 13 (to attend Boy Scout camp) and says he has been a credit union advocate ever since. He has now worked professionally in credit unions for thirty years.

News & Views: What would you suggest should be the main focus of this interview?
Rick Hein: Two words. We need calmness – an unemotional view of all the things that are happening economically, while we continue to look at the big picture. It’s very hard to do because when money gets involved, people get emotional. And we need to understand that trust is the foundation of the industry. So those are the two things: how can we instill calmness and how can we build trust?
N&V: In lay terms, how would you describe what is going on with all of this Wall Street confusion and anxiety?
RH: Unfortunately, we’re suffering the consequences of an industry that tried to follow regulatory direction and government intervention to provide a product and get more people into homes and, when the regulatory oversight and the underwriting standards were relaxed, got people who shouldn’t really be qualifying for loans and others just taking advantage of the relaxed regulation. What we’re seeing is the consequences of that. People don’t understand that while there is a lot of talk about foreclosures, there are really just seven states that lead the nation in delinquency in foreclosures: Arizona, Nevada, California, Florida, Indiana, Michigan, and Ohio. In Oregon, we are at historic averages. So home loans started it all. Fannie Mae and Freddie Mac were heavily implicated, with the 1998 guidelines to find creative ways to make home ownership more accessible to those with lower incomes. Things went wrong in trying to get so many people to satisfy the American dream of home ownership; it all started with good intentions. Not just the CEO’s that we hear about made a lot of money but also lenders, builders, developers, realtors. Here, we continued to apply our traditional standards, despite some criticism of not being creative enough, and we’ve been the largest writer of home loans in Benton County since 2005, so I think we’ve done something right. We’ve stuck to our principles and to sound underwriting standards.

N&V: How worried and frightened should the average OSU retiree be at this point?
RH: Again, calmness is the word of the day. No matter how far the market drops, it’s important to keep in mind that you haven’t suffered a loss until you sell. You can’t look short-term; you’ve got to look long-term. A retired person is always going to be concerned. But “worried”? Investments in any insured vehicle are protected by either FDIC or NCUA [National Credit Union Administration] for up to $250,000 in each account. You can go online at NCUA.gov to look at our financials, or others. One thing the credit union industry is known for is transparency; our financials are very open, very available to the public.

N&V: What can, or should, the average retiree do right now to help himself or herself, and what should he or she not do?
RH: What you should not do is to pull everything out in cash and put it under the mattress. I understand the fear that people might have, but the bottom line is that there’s far more risk of carrying and maintaining cash like that in a residence than there is with a sound financial institution,

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It’s a great day to be a Beaver” echoed throughout Corvallis when the OSU Beavers accomplished what was considered next to impossible by defeating the No. 1 football team in the nation, the Trojans of USC. Jacquizz Rodgers declared his secret to garnering 186 yards rushing: he was just a “little dude” who hid behind the linemen. We retirees may sometimes feel that we are also just “little dudes” not attracting attention to ourselves and our work.

We in OSURA should also proclaim that it is a great day to be a Beaver. As President of our association for 2008-2009, I have reflected on the huge strides that we have made in just a few short years since our inception in 2001 under strong, effective leaders who laid a solid groundwork for the organization with the support of the OSU administration. In my first months in the position, I had several requests from major institutions asking for guidance as they considered setting up a similar organization for their campus, or even for a large university system. One inquirer expressed concerns about being “largely ignored by the university administration.” Another, representing a 64-campus system, asked about barriers or obstacles to the creation of our organization and asked if we used a manual or guide to set up OSURA. Au contraire! The top OSU administrators have shown strong support for OSURA. President and Mrs. Ray invited the OSURA Board and several key administrators to a reception at their home just before the school year began. Luanne Lawrence, VP for University Advancement, has repeatedly demonstrated her support for OSURA by attending events, making a budgetary contribution to OSURA, and offering staff assistance. It is great to be a Beaver! We can take pride in the legacy that OSURA is creating for those who follow us into retirement from OSU.

For the past two years OSURA has awarded scholarships to undergraduates whose major will lead to a career in the field of healthy aging. In planning for the future, the OSURA Board has agreed to endow the scholarship in the amount of $25,000 in the OSU Foundation. At present, we are almost half way to that goal. Part of the dues increase this year will go towards the endowment. We would welcome your contributions, either by making a donation when paying your dues or by sending a check to the OSURA Scholarship Fund, University Advancement, 205 Adams Hall, Corvallis, OR 97331-2004. If you have ideas to help with our fundraising, please contact Susan Poole, Scholarship Committee Chair, at r.poole@comcast.net.

The new year started off fast. OSURA volunteers have been requested to assist with trail maintenance at Peavy Arboretum, welcome visitors to the State Fair on OSU Day, staff the OSURA booth and hand out programs on University Day, provide information to students attending the Convocation, and assist with CONNECT events for new students. Other volunteer opportunities have included the Fall Career Fair and the OSU Flu Clinic. Bobbye Kooper, our Volunteer coordinator extraordinaire, was honored by having her photo appear on a banner near the Valley Library. What a great tribute to her, and what a recognition of the important service that retirees provide to the University! Watch for Bobbye’s e-mail requests if you can volunteer a few hours here and there.

The annual OSURA Golf Tournament, under the leadership of Glenn Klein, was held on September 10 at the Trysting Tree Golf Course. The weather was ideal. The event attracted 35 for golf and 24 more for just the party. Our featured speaker, Kelly Robinson, was dynamic in speaking about her life and role as the spouse of a basketball coach.

Two other OSURA committees are busy preparing special events throughout the year. The Member Services Committee, headed by Roy Arnold, is working on four programs: 1. Identity theft and protecting personal information; 2. Implications of the current financial climate for retirees and those contemplating retirement; 3. Travel options for retirees with a variety of formats (such as Alumni Association, Elderhostel, large and small ship cruises, and travel on your own); and 4. Health insurance for retirees and those contemplating retirement (e.g., Medicare, prescription drug programs, and long-term care insurance).

The Program Committee is also pursuing a number of options for the year, such as a talk on whale research, a tour of the Sports Performance Center (with a wrestling match), a theater production, a talk on weather and climate, attendance at a gymnastics meet and a basketball game with dinner before the event, a tour of the Good Samaritan Hospital Cancer and Heart Centers, a repeat tour of the Hinsdale Wave Lab Tour (with the tanks operating this time), and a summer social during Shakespeare in the Quad.

Since the programs cited above are subject to change, check your e-mail and regular mail for announcements regarding OSURA dates and times. Be sure to check the OSURA website periodically for updates: oregonstate.edu/osura.

OSURA’s strength comes from its active membership. Stay involved or get involved! We look forward to your contributions and participation in your association. It’s great to be a Beaver!

—Bill Smart, President of OSURA, 2008-2009
Trivia: Which four (4) OSU professional schools were established exactly 100 years ago, in the year 1908?

Staying Informed

Have you ever had a friend tell you about some wonderful event on the OSU campus - but after it had already occurred without your knowing anything about it? Would you like to avoid that kind of frustration? Would you like to be better aware of all the exciting things that go on in Beaver Country? Well, here’s how.

First, you need a computer or, at least, a cell phone that accesses the internet. (If you don’t have either one, you are limited to print media and likely to keep missing things.) Now, take this article with you to the computer, and we’ll walk through it together. For starters, activate your internet server and go to the OSU home page by typing in oregonstate.edu. Scroll down the page. Beneath the news headlines, you’ll see two underlined phrases: “More News” and “More Events.” Click on “More Events.” You’ll jump to a page called “Arts and Events,” which lists and describes events in the center column. Next, find the nifty calendar in the upper right corner. Pick a date, maybe tomorrow’s date. If you simply move your cursor over that date, a box will pop up telling you how many events are scheduled for that date. Click on it, and you’ll get a full listing of all those events. You can also click beneath the calendar on that page to get day-by-day listings for a full week, or even the entire month. Nice, huh? And you’re just getting started!

Go back to the “Arts and Events” page and look in the left column, under Publications. There you’ll find several other great information sources, especially “OSU Today” and “Life @ OSU.” Click on “OSU Today” to find full paragraphs packed with good information under four headings: “Today in the News Media,” “Today on Campus,” “Upcoming Events,” and “News for Employees.” In the left column, you’ll even find a place to subscribe and receive “OSU Today” every day in your home e-mail. Next, back up again and click on “Life @ OSU,” which is now the official newsletter for OSU faculty and staff, published every other week during the academic year. Again, you can subscribe right there on the page.

Finally, type osualum.com in your address box, click the tab marked “News About OSU,” move your cursor down the list of options, and click on “Beaver Eclips,” a diverse collection of articles about OSU topics, taken directly from print media sources nationwide. This is an excellent way to update your knowledge of OSU achievements, as well as to get a sense of what folks around the nation are reading about us. Once more, you’ll find an option to subscribe.

These resources should serve to keep you very well informed. As you browse through the items discussed here, you will also find many other opportunities of possible interest, such as the Oregon Stater and Beaver Athletics. So, happy hunting! We’ll be looking for you at all those exciting OSU events.

The research magazine Terra is yet another way you can stay connected to OSU. Visit the Terra Web site, oregonstate.edu/terra, for exciting articles and more information.

For answers to the trivia question, visit the OSURA Web site, oregonstate.edu/osura.
Back in the late 1960s, in Ed Taylor’s minerals classes at Oregon State, Terry Toedtemeier found a “fascinating beauty” in the microscopic chemical and physical manifestations of rocks.

Now, 39 years after he earned his OSU degree in geology, Toedtemeier has taken his life-long interest in rocks and minerals and his career in photography, and has joined forces with his long-time friend to create Wild Beauty, a stunning collection of 134 photographs of the Columbia River Gorge, the earliest dating from 1867.

Toedtemeier and John Laursen, the book’s co-author, designer and production manager, published the 360-page volume earlier this month with their Northwest Photography Archive and the Oregon State University Press.

For Toedtemeier and Laursen, the story of the Gorge in photographs begins soon after the Civil War when Carleton Watkins crafted “exceptional creations” — albumen silver prints from large-format glass negatives. Later, they were inspired by the works of Lily White and Sarah Ladd, two Portland photographers who became part of the Photo-Secession movement in New York in the early 1920s – elevating photography to an art form.

“All these ideas came together seven years ago,” said Toedtemeier, a Portland native, “and we decided to start making the book for ourselves,” creating their non-profit to plan and amass the $250,000 needed to publish it.

Divided into five major sections, Wild Beauty takes readers through rapids and waterfalls, rock formations and the beaches, white men’s railroads and Native people’s fishing villages to 1957, when The Dalles Dam finally drowned Celilo Falls.

No short-cuts were taken, Laursen explained, making it possible for the reader to “look at the photographs as though at a museum.” Each is on its own page, 60 square inches in area, caption to the left, an introduction preceding each of the five sections. The size of the book itself – roughly one foot square — is the largest that can be printed and bound in Oregon, and its weight is seven pounds.

“What we’ve produced is a portable version of a museum exhibition,” Laursen said.

“These images are part of our shared cultural heritage, and our purpose is to make them available permanently to the widest possible audience.”
~ by Ed Curtin
New Board Members

Three talented OSU veterans join the OSURA Board of Directors this year, each with a unique background and set of special interests.

Carol Kronstad came to OSU in 1958 to pursue graduate study in Child Development and fulfilled an assistantship as head teacher for the laboratory nursery schools on campus. She met husband-to-be Phil O’Neill in one of her classes. They finished Masters degrees together, then moved to Tallahassee, Florida, where Carol engaged in identical twin research at Florida State’s laboratory nursery school. Three years at the University of Illinois followed, along with the birth of the couple’s first two children. They returned to OSU in 1966, with Phil as head of the Child Development Department and with two more children. Following Phil’s death in 1988, Carol taught Kindergarten at Harding School. She married Warren Kronstad in 1989, acquired four stepchildren, and retired from teaching in 1998. Husband Warren died in 2000. Carol now practices her child development skills with the eight children, plus 15 grandchildren. She is active in OSU Folk Club, the OSU Alumni Board, golf, bridge, bowling, OSU sports, and reading.

Jim Krueger retired formally in 1997 but continues to teach in the University Honors College. His OSU career dates from 1961, when he arrived after completing his Ph.D. in chemistry at Cal-Berkeley. He taught general and inorganic chemistry and conducted research on inorganic reaction mechanisms and metal-coordination compounds. He has been active in the Faculty Senate and on several committees and has chaired the board of the Corvallis-OSU Music Association. Jim and wife Bonnie are fortunate to have two of their three daughters residing right here in Corvallis, as well as two granddaughters. His interests include tennis, piano, colored-pencil portraits, the Chemistry Teaching Mentor Program, and supporting Beaver sports.

Susan Poole, an OSU alumna, returned to Corvallis in 1979 with her husband Bob and two daughters. She began work in the College of Pharmacy in 1986, later moving to Student Health Services. While at OSU, she was very involved with Student Affairs committees and initiatives. She retired in 2005 and describes her current passions as “actively committed to education and health for women, children, and families.” She has been a member of several local boards (including Boys & Girls Club, Old Mill Center, Community Outreach, and Leadership Corvallis) and is currently a trustee for Good Samaritan Hospital Foundation. She is past president of the Oregon Medical Association Alliance and has been named a Corvallis First Citizen. In her “spare time,” Susan enjoys her three grandchildren and is an avid reader, runner, rower, gardener, and tennis player. We offer a resounding welcome to all three of these outstanding individuals.

Economic Crisis (continued from page 1)

especially in terms of potential theft. Also, don’t look at your funds on a daily basis: limit looking at what your mutual fund is doing to once or twice a month. One thing you should do is to talk to your financial advisor and diversify your holdings.

N&V: Will the current situation affect the likelihood of being able to get loans?
RH: As far as the overall industry, we’ve already seen some increased tightness of credit. Some have already cut off lines of credit, and we’ve been able to help many of those who have come in, especially small businesses that need operating capital. But we have remained solid; Fannie Mae and Freddie Mac like us, for example, because our members make their payments.

N&V: Will the proposed $700 billion bailout solve our problems?
RH: I would like to know more about where they’re getting that number. From what I’ve read, that amount equates to only about 9% of the market. Depending upon how the bailout plan is developed, it could be a self-fulfilling prophecy. It’s hard to tell at this point. It could be not enough or way too much.

N&V: Finally, what would you most like to say to this reading audience?
RH: I’d like to emphasize that our economy, though challenged at the moment, has proven itself very resilient, almost no matter what we do to it. So, again, we get back to calmness and trust. Hopefully, we have learned how to prevent total collapse. Washington is trying right now to avert such an outcome. And we have so many safeguards in place that it’s hard to picture total collapse.

We thank Mr. Hein for his willingness to talk with us and to share his insights and opinions.
YES!

I/We would like to renew/begin a membership with OSURA. Please enclose the membership fee of $20 for each person. Donations above $20 are gladly accepted and may be specified to go to the Scholarship Fund. Please make checks payable to OSURA. Membership year runs from July 1 - June 30.

Name

Spouse/Partner of a deceased OSU employee: ☐

Department  Retirement Date

Spouse/Partner

Department  Retirement Date

OSURA Annual Dues: $20 per member

Annual Dues: ____________________  Scholarship Fund: ____________________  Total: ____________________

☐ All OSURA Members will be listed in the OSU Retirees Directory.

Check here if you would prefer your name not be listed.

Address:                      Street       City       State       Zip

Phone Number: ____________________  E-mail ____________________

Please return this form to OSURA, Oregon State University, 205 Adams Hall Corvallis, OR 97331-2004. For questions call: (541) 737-4717 or e-mail: osura@oregonstate.edu.