



LARAEC Executive Board

Minutes- Special Meeting - Workshop

Friday, December 7, 2018

1:30 – 4:00 PM

Van De Kamp Innovation Center
2930 Fletcher Drive, LA 90065

Executive Board Members in		Point Person Team Members		Staff	
Emilio Urioste, Burbank USD	x	Yanira Chavez, BUSD		Lanzi Asturias, Project Director	x
Veronica Montes, Culver City USD	x	Elvis Carias, CCUSD	x	Michele Stiehl, Advisor	x
Dr. Robert Miller, LACCD	x	Dr. Adrienne Ann Mullen, LACCD	x	Justin Gorence, Advisor	x
Joseph Stark, Los Angeles USD	x	Men Le, LAUSD	x	Grace Ocampo, Budget Analyst	x
Alice Jacquez, Montebello USD	x	Philip Tenorio, MUSD	x	Vacant, Secretary	

	Agenda Item
1 Call to Order	Ms. Montes called the special meeting to order at 1:52 pm.
2 Public Comment	
3. Workshops Items	<p>Funding Formula Research Presentation</p> <p>II. Funding Formula Research Presentation</p> <p>A. Ms. Montes explained that on September 21, the development of a fair and equitable funding formula was identified as a priority area for SY 2018-2019. The special meeting would therefore be focused on discussion and deliberation regarding this subject, with no decision-making taking place. She said that it would be a vehicle to allow them a space to reflect on priorities and engage in productive discussion. She clarified that the presentation compiled by LARAEC staff does not contain recommendations, but is meant to be a jumping-off point for discussion.</p> <p>B. Mr. Gorence explained that they had not prepared a PowerPoint intentionally, and would like to instead guide the audience through the document they had prepared so they would no where to locate information. The format of the presentation is to provide an overview of funding research done in conjunction with governance research. They have created 5 different funding scenarios, with 1 of the 5 still being formulated. He added that they did research on various consortia websites and read LAO, CDE, and CCCCCO reports, and pulled recommendations from them.</p> <p>1. Mr. Gorence explained that they had gathered funding information as a result of their research into governance and their interviews with other consortia, and found a lot of the other consortia’s priorities to be specific to each consortium.</p> <p>2. Ms. Stiehl added that they did not find a “magic formula”, and that interviewed consortia could tell them how they allocated their original money, but did not have a sense of how they would allocate their money in the future.</p> <p>C. Ms. Stiehl presented the various criteria that the Community Colleges use to measure success. Dr. Miller explained that there were 27 different measures in the matrix with 8-10 different dollar values and point values attached to them, factored against completion and success.</p> <p>D. Ms. Stiehl then summarized the proposed LACCD Adult Ed funding formula and its three components: base, plus success, plus innovation.</p>

1. Dr. Mullen explained that the first three years they had the grant, money was distributed equally amongst the three components, but this year it would be based on the new funding formula. Success is 60% of the total hours needed to complete a course.
- E. Ms. Stiehl explained that the Point Person Team had questions about definitions and formatting after they shared the document with them, so the next few pages of the packet included definitions essential to understanding the funding formula discussion and provide context for debate. She then discussed the issues they addressed in formulating the definitions and explained that they have prepared spreadsheets for each hypothetical funding scenario, and that they used enrollment data from TE for them. She also explained the color-coding scheme for the spreadsheets: green for cells with variable data, gold for cells with totals highlighted, and white for calculated cells.
- F. Ms. Stiehl explained the features of Simulation 1, the first spreadsheet. She pointed out the LARAEC office off-the-top portion, plus the Potential Staff Increase field, and confirmed that AEP statewide got a Cost of Living Adjustment increase of about 4%.
 1. Mr. Stark thanked Ms. Stiehl and Mr. Gorence for the presentation, and added that they should be looking at sustainability and growth.
- G. Ms. Stiehl and Mr. Gorence described the second scenario/spreadsheet and funding formula proposal, explaining that it distinguishes between students who are just enrolled, and those who have 12 hours of credit. There is still the same LACCD figure at the bottom, and the same LARAEC office potential staff increase. She explained that the formulas the first two formulas come out very similar.
- H. Ms. Stiehl and Mr. Gorence explained the third scenario and spreadsheet, termed "Qualified Enrollment". They noticed that most of the content on the left side of the spreadsheet is the same, except it does not use the TE 12-Hour number. They also have equity indicators in order to break the formula out by base equity and success following the Community College idea.
 1. They explained that some of the limitations in the model is that there are a lot of moving parts in this scenario, and it does not provide funding for innovations and new programs, and does not consider other funding sources. They would need to effectively capture data points, and if recalculated annually, it may cause instability in funding levels, which could create huge problems.
- I. Ms. Stiehl and Mr. Gorence explained the fourth scenario and spreadsheet,, which basically removes equity and replaces it with innovation.
 1. They would need to formulate innovation measures, and there are many different ways of talking about innovation; some of it is past accomplishments, some new ideas, and some is asking for money to try out ideas. Ms. Stiehl added that in Dr. Mullen's school's case, innovation is measured by getting a curriculum passed as an innovation point, and Dr. Mullen clarified, that that is only at district level when approved by the board of trustees. She further explained the conditions on the approval of such a curriculum, in that it has to have merit and relevance.
 2. Dr. Miller added that every dollar LACCD invests is going to be measured by the output, and Mr. Stark added that to some degree, he believes they are all having similar conversations. At LAUSD, they are looking at that as well, and talking about defining gold standards for certain programs such as CTE. Mr. Gorence added that if there is money for innovation, they need to think about what will happen if the number of innovations increases due to the success of innovation projects.
- J. Ms. Stiehl explained the still-in-progress fifth scenario, and the fifth spreadsheet which summarizes WIOA, Perkins, and Strong Workforce funding. She said that if the board would like to provide them with direction on any of these aspects, they would be happy to explore them.

1. Mr. Gorence explained that they would like to get ideas from the executive board and the Point Persons Team that they think are important, and so Mr. Gorence and Ms. Stiehl created categories of ideas for them to think how important each thing was, essentially creating guiding principles for what is important as a priority, and how to measure those priorities. She added that the ideas were from the words of the executive team and point persons.
- K. Ms. Stiehl and Mr. Gorence went through the various categories of ideas/priorities such as future money distribution, staffing and central support, data confidence, future re-evaluation of targets/measures, etc. Mr. Gorence explained that perhaps due to the time crunch, something simple could be created funding- or measure-wise this year, then as data is accumulated and catches up, they move on to something more complex.
- L. Ms. Montes thanked Ms. Stiehl, Mr. Gorence, and Mr. Asturias for their work, and suggested that they have a ten-minute bouncing-off session by separating into groups and sharing with their partners what is most appealing to them from the presentation, and their primary concerns or considerations with what they heard.

Discussion

- A. Mr. Urioste began by complimenting the quality and insightfulness of the presentation, emphasizing that he believed equity is a consideration of utmost importance due to the diversity of their consortium. Mr. Stark added that he thought Ms. Stiehl and Mr. Gorence did a good job of capturing the conversation and crystallizing the core points. He added that for the first time he thinks he can remember, they are having a conversation in adult education really calling out that they cannot have a one size fits all approach given their diversity of students. He would like to look at these issues in a way that will drive greater collaboration, and to figure out in terms of funding how they get resources to whoever is doing certain things well the best.
1. A stakeholder teacher thought that they should be coming to the city or county or workforce as one partner/conglomerate under LARAEC, which could have a huge impact.
 2. Dr. Miller said that he agreed with Mr. Stark, and saying that he gleaned from the presentation that the community college formula is so different from K12 districts'. He emphasized that their system is now very completion/success focused, and he described the challenges and pressures their colleges are under to change how they do business from curriculum development to student support to outcome. He added that the major thing that LA community colleges lack now is that they don't have an adult ed faculty member in the colleges, they're all part-time people. He explained that they would be happy to receive another 1.2 million on top of their current allocation in order to fund full-time adult ed faculty. Those adult ed faculty members would have a seat at the committee and help drive the programs to force changes that they need.
- B. Ms. Montes said that she liked the idea of starting simple and then moving toward bigger success and innovation, since it gives them time to come up with definitions and criteria for innovation in a way that is thoughtful. She also thought that there should be concern around the definition of success/completion, and the idea of the measure having some connection to effectiveness as well as quantity. She asked the groups what they would want the other groups or other agencies to know so that when they go back, it's part of their consideration of the material presented.
1. Dr. Miller said that his college in particular is losing a lot of funding, and if

it weren't for the safety harness the system is currently enjoying, a lot of Community College districts would be having problems right now, and some are. Unless they find a way to make up that gap and grow again, they will be looking at significant furloughs within two years since they will not have the money to support personnel. As much as the chancellor/etc. want adult education to grow, if they have a nickel to put towards something else they will. So if they were able to have those nine staff members, it would help stop that. The state just gave them 4.4 million dollars to hire more faculty, but Dr. Miller cannot take a nickel out of that for adult education because they are not a priority.

2. Mr. Stark said that he thought the base equity success model is one he thinks they could most use today, but they need to look beyond this base to success, and they have to build some things in because success is the only thing that will drive the work in those areas.
3. Ms. Montes added that those outcomes will prove to the legislators that they need more money. On Culver City, that consideration of effectiveness factor in determining some of those values that success rate section, considering not just the number, but the effectiveness is what they would like others to take back.
4. Ms. Jacquez explained that MUSD scans across 10 cities, and 40% of the parents of their students don't have a high school diploma. They work alongside the K12 administration to strengthen the appropriate programs. In regards to metrics, they feel that they have to have a growth in student outcome be part of them. The 17-18 TE data may or may not be the most accurate, since recently TE data was all over the place. With regards to unduplicated measures, when they finally got that data in it was a huge difference in numbers.
5. Mr. Urioste said that he thought innovation was important, but also expensive, and discussed IET programs as an example in their investment in staff hiring, curriculum development, and resources. He thought the state has not considered the actual cost to support programs like IET.
6. Dr. Miller seconded Mr. Urioste's sentiments, and emphasized that they need to put every dollar they possibly can in driving success for their students, and developing new innovative programs that may or may not get students through the pipeline faster to their goals in this day and age. But innovation should be considered as whether it actually moves the needle for success.
7. Mr. Stark added that, regarding Equity, they have some pretty serious equity issues in terms of how they have been giving out funds, and asked whether the board would like to address it in the short-term, long-term, or not at all. Ms. Montes said that one of the goals of the meeting today is to figure out what's next, and she asked if there were other discussion topics those present wanted to go back to, or if they should process the presentation and data discussed today and whether there were topics they should bring back to discussion.
8. Dr. Miller suggested that they could come up with a cost-per-instructor/per-student instructional talk. He does not know if it would be tied to completion or tied to the courses that they take, and he suggested that they could come up with a broad metric based on completion/courses, and the number of sections being offered.

Final Discussion

- A. Mr. Asturias said that they have met all of the recommendations offered to LARAEC from the state office with one exception: the rightsizing of the district allocations. As long as that is not met, they are subject to the recommendations of the auditors for another 6 months/1 year. He advised the board to keep in mind that if this were to become an action item, it would have to become one in February. Because if there are to

be pink slips, they would need to go out by March 15th. Mr. Asturias said that what that means is, retroactively in January we would have to have a discussion at the next open meeting, so if they needed to have a second workshop it would have to be between now and the next January regular meeting in the middle of January. He said it was something to keep in mind as they push forward with this decision. Mr. Asturias referred to previous discussions during the meeting of starting with simple solutions and going to more complex ones, saying that they might need to do something to address the issues at hand and then move forward perhaps with the three year plan, formulating a more complex formula down the road.

- B. Mr. Urioste thought it would be good to take the information from this meeting and share it with each board members' supervisors, get their input, and bring it back.
- C. Dr. Miller suggested that within a three-year period they could get back to a right-size allocation, and that the sooner other consortium members know that they would like to hire additional full-time adult ed staff, the sooner they can take action back to their superintendents.
- D. Mr. Stark wanted to point out that they currently have a situation where their funding is out of whack, and it was pointed out in the state audit for MUSD. Based on the data presented today, he thought that they do have a clear anomaly pointed out by the state, and the question whether LARAEC does anything about it: he feels they have to, because if they don't they put LARAEC at risk of other action by the state. Given what was shared today, they have at least a reasonable starting point for perhaps making a determination.
- E. Ms. Jacquez asked whether Dan Garcia's presentation regarding MUSD returning roughly 8 million dollars was not part of rightsizing funding numbers, and said that some of the numbers in the presentation were incorrect.
 - 1. Dr. Mullen said that the numbers are not rolling up correctly in TE across the state, and they don't know how to fix it currently.
 - 2. Mr. Stark asked Dr. Miller if, when he mentioned earlier about hiring the teachers, it was something for the school year 2019/2020. Dr. Miller said that it was, as they were going into the 3-year cycle, and that it was assuming some level of redistribution and COLA.
 - 3. Mr. Stark said that he understands that now that they know and the data's very clear and it's been called out in an audit, he thinks the right-sizing is something they should address. When they are looking at these simulations and the cost per student, it is considerably higher to look at cost per student at Montebello. Dr. Miller asked for a calculation regarding that from staff, and Mr. Urioste suggested going back to the audit report. Mr. Urioste added that if a member district is unable to offer programs or has waiting lists, LARAEC could be setting themselves up a lawsuit by one of those students claiming there is a disparity in funding amongst the consortium.
- F. Ms. Stiehl displayed data on funding per student and funding, from Ms. Ocampo and from the audit. There were some questions about discrepancies in MUSD's per student amount for previous school years.
- G. Ms. Montes suggested bringing this information to a future meeting for discussion. Dr. Miller suggested sitting down with MUSD offline, with a few board members, and developing a recommendation. Mr. Asturias said that that may be contrary to Brown Act procedures, and Dr. Miller said that they can have one or two of the board members without it being public. Dr. Mullen added that they can have a board member and a staff person as well.
 - 1. Philip Tenorio asked if they could define effectiveness vs ineffectiveness in the language of the state audit, since that definition has to come up again and again, and he thinks they should have some kind of finality on the related

governance conversation. He thinks they should meet informally before they go off on other tangents and come up with solutions.

- H. Dr. Miller motioned that the executive board appoint the director (Ms. Montes) and two point people to sit down with MUSD and develop one or more recommendations relative to the funding imbalance MUSD had. Ms. Montes seconded.
 - 1. Dr. Miller recommended Dr. Mullen as one of those two point people. Ms. Montes recommended Mr. Carias.
 - 2. LARAEC Executive board agreed that point persons team would be included in the above mentioned meeting with Montebello.

Adjournment

- A. Ms. Montes asked, with January 18, 2019 being their next open meeting, should the executive board meet for a few hours beforehand on the funding formula topic? Dr. Miller thought that if they agendaized the report produced by LARAEC staff for the meeting, it will work out. Ms. Montes also said that if they need to add a meeting, they can add a meeting.
- B. The executive board voted unanimously to adjourn at 4:19 PM.