



LARAEC Executive Board

Minutes- Board Meeting

Friday, December 20, 2019

9:00 AM – 3:30 PM

Burbank Adult School
3811 W Allan Ave, Burbank, CA 91505

Executive Board Members in		Point Person Team Members		Staff	
Emilio Urioste, Burbank USD	X	Rosalinda Brewington, BUSD	X	Lanzi Asturias, Project Director	X
Veronica Montes, Culver City USD	X	Elvis Carias, CCUSD	X	Michele Stiehl, Advisor	X
Larry Frank, 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	Teresa Plaza, Secretary	X

1 Call to Order	1.1 Pledge of Allegiance Mr. Urioste called the meeting to order at 9:16 A.M. Mr. Stark led the pledge of allegiance.	Mr. Stark
	1.2 Adjustments to the Agenda Mr. Urioste asked if there were any questions regarding the agenda. No questions arose.	Mr. Urioste
	1.3 Approval of the Agenda The board voted unanimously to approve the agenda.	Mr. Urioste
	1.4 Items for Future Agendas No items were presented.	Mr. Urioste
	1.5 Approval of the Minutes a. Regular Board Meeting: November 15, 2019 Mr. Urioste asked if there is a motion to approve the minutes from November 15th. Ms. Jacquez motions. Second motion by Mr. Stark. Mr. Urioste asked if there were any questions about the minutes. There were no questions. Mr. Urioste asked all those in favor of approving. The board voted unanimously to approve the minutes.	Mr. Urioste
2 Public Comment	Mr. Asturias asked those interested in filling out a public comment card to hand it in either to Justin Gorence or Michele Stiehl. Mr. Urioste advised there is a three-minute window, and then asked who is the timekeeper. Mr. Asturias responded that Grace Ocampo is the timekeeper. a. Stakeholder Ilya Pompein Midland, Office Manager at Burbank Adult School, said that Burbank is a small but busy campus, where staff members wear many hats. Ms. Midland reports payroll and staffing, and works closely with the budget technician and director on budget, as well as reports to various agencies. Therefore, Ms. Midland has a	Mr. Urioste

unique perspective on funding from all sources. Ms. Midland says she has reviewed the formulas both on her own and with director and staff. She greatly appreciates the work and thought behind the development of these formulas, and thanked everyone involved.

Ms. Midland believes Formula #1 is the best option for all districts. It is the most fair, addresses student population directly, which she says is frankly, why they exist. She says some of them are very large, both in acreage and in the number of students they serve. Because the first formula is based on a per-student basis, without specific qualifiers, it seems the most fair. Ms. Midland feels the most important feature about Formula #1 is its simplicity. It is straightforward. The other formulas leave too much room for interpretation, which would lead to argument, further discussion, and revisiting.

Ms. Midland addressed a second point: the need for a second administrator on campus, requesting one be hired at a minimum of 30 hours per week. Burbank runs classes from 8:30 AM - 9:30PM, 5 days a week. Burbank also has a full set of classes and events on Saturdays, beginning at 8 AM and ending at 5 PM. With increasing demands of IEP, weekly BSU meetings, it is too much for one man.

- b. Stakeholder Michelle Cohen representing LAUSD and representing adult ed teachers at UTLA. Ms. Cohen believes we are at a turning point, as too many valuable hours have been spent on formula discussion, and would like to settle this today. Ms. Cohen stated that they support the formula, like the LAO recommended, that simply funds students equally, based on the number of students they serve.

Ms. Cohen made one distinction, saying that UTLA does not agree with LAO on everything. For example, they recently challenged their recommendation to eliminate the adult ed credential. But, UTLA agrees with LAO to equalize funding among member districts.

Although they have reactivated the action planning teams, that many of them serve on, UTLA prefers to focus on the elements of a plan that will lead to more well-defined pathways to higher education and professional development. UTLA wishes to be a regional brand, as they have to compete with the heavily advertised for-profit schools, growing population of adult ed charter schools in their region. Attracting and keeping adult children in the public system will require a team effort.

- c. Stakeholder Elizabeth Cantu from UTLA, an employee of LAUSD for 20 years as an ESL Teacher, and currently a Program Performance Teacher Advisor. She has lived in Burbank for 20 years. Ms. Cantu said this formula has divided rather than unionized to function as a group. Ms. Cantu would like to settle this today so everyone can move forward.
- d. Stakeholder Rosario Galvan from the DACE Office. Mr. Galvan is here to support the board, to focus on restoring the capacity of these programs, and to continue serving the highest level of imparting skills for students who desperately need it.

<p>Information/ Discussion Items</p>	<p>A quick note before the presentations</p> <ul style="list-style-type: none"> a. Mr. Asturias gave introductory comments, where he stated he would like to focus on process, and introduced the facilitators from Sacramento. b. Mr. Asturias pointed to the objectives on page 20 of the Board packet, saying that in essence, the focus for today would be on the components needed to develop the formula, the set of conditions, and to discuss any language that may need to be added in the bylaws. In order to do this, he says, a few presentations will provide background and context for today. c. Mr. Asturias asked each board member to make an introduction and to offer their perspectives on their districts when possible. d. Mr. Urioste made a note about today's meeting being a workshop setting, rather than the usual auditorium setting. e. Mr. Frank mentioned how, as previously discussed, and as it is a workshop environment, whether they would allow the point persons to be next to their executives. Mr. Frank asked if the board is comfortable doing that now or after the presentations. f. Mr. Asturias responded that after the presentation they will pause to rearrange as they had originally set out to do. g. Ms. Batista thanked everyone, introduced a worksheet to help facilitate the activities for today, and invited everyone to take notes as Justin and Michele do their presentation. <p>Presentation by Mr. Gorence</p> <p>Mr. Gorence gave the following information on how to read three documents:</p> <ul style="list-style-type: none"> a. Funding Formula Briefing <ul style="list-style-type: none"> i. This document is meant to give everyone the genesis, and context on how the conversation started and evolved over time, which grew from the November 15th meeting, after they were asked to put a briefing together for Mr. Frank. ii. Mr. Gorence asked everyone to refer to the front part of the document, which contains multiple timelines, including the Funding Formula timeline, and the LAUSD Auditing Timeline. b. Funding Research <ul style="list-style-type: none"> i. Mr. Gorence says this document evolved after a board meeting, where the board identified fair and equitable funding formulas as a priority item, and asked the staff to come up with some presentations of some options to consider. Mr. Gorence says this document itself is fairly comprehensive, and that it offers funding formula options, information on how the research evolved, and what it is based in. c. Simulations 1-5 <ul style="list-style-type: none"> i. This document is meant to be read with the <i>Funding Research</i> document because the information about the funding formulas there are played out in the spreadsheets. <ul style="list-style-type: none"> 1. For example, Simulation #1 corresponds to Scenario #1 in the <i>Funding Research</i> document (page 12). 2. Mr. Gorence says it will allow you to not only take a look at the spreadsheet, but it also describes the features of each formula, considerations, limitations, and any other notes LARAEC wanted to bring to your attention. <p>Presentation by Ms. Stiehl -> stiehl</p>	<p>Diana Batista, CAED/ Tap Director</p> <p>Veronica Parker, CAEP Coordinator</p>
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Ms. Stiehl gave an overview on how to read the five simulations, the calculations, and how to correlate that with the information and background provided in the *Funding Research* document.

a. Simulation #1

- i. Ms. Stiehl offers for everyone to open the correlating page 12 of Funding Research document, also projected on the board.
- ii. Ms. Stiehl explained that the student enrollment number comes from TE, from last year's enrollment. She explains that LARAEC does not have enrollment finalized for this year yet, and therefore, are using last year's enrollment number.
- iii. Ms. Stiehl explained that Simulation #1 is a straight-up per student formula, where they took the numbers they have, divided by the number of students to get that straight-up per student formula.
- iv. Ms. Stiehl noted that LARAEC office funding and LACCD funding were taken off the top, referring to the bottom left table. She explains LACCD's funding came off the top mainly because TE does not reflect their entire enrollment, as they only put a small percentage of students in TE.
 1. Which leaves \$122 million, which is where LARAEC does the straight up deviser to get the new amounts at about \$1500 per student (bottom right).

b. Simulation #2

- i. Ms. Stiehl explained that this formula is similar to Simulation #1, plus one caveat: qualified enrollment.
- ii. This formula distinguishes between two kinds of students, based on their attendance: a full-time student (TE), and a 12-hour student (TE 12 hours).
- iii. LARAEC used the 12-hour mark only because it is already reported in TE.
- iv. The reason for this distinction, explained Ms. Stiehl, is that LARAEC previously discussed how not all students who walk in the door are the same. One student may register for services, or start a class and then leave it.
- v. The "gap" refers to the number of students who did not have a 12-hour attendance.
- vi. Ms. Stiehl refers to the bottom left table, which she explains is a calculation that tries to figure out what that percentage would be for students who do not make 12 hours. For now, it is just a placeholder, set at 60%. Following the straight division, you will find \$1,700 for the 12-hour student and \$1,000 for under 12.

c. Simulation #3

- i. Ms. Stiehl explained that Simulation #3 is a different scenario that adds two extra elements: equity and success. She stated that community colleges on the for-credit side have moved to having something called base, equity, and success.
- ii. The base is still the base, which is the same amount everyone gets, and is more on a per student basis.
- iii. The barrier amount is for students with greater barriers and needs. There is additional money put towards that. They put down any student that had one or more barrier.
- iv. The student success measure is for schools that are providing towards those outcomes. We get paid additional money for those.

- v. Ms. Stiehl explained the formulaic distributions: 60% for the base, 20% for equity, and 20% for success. She notes that these numbers can be changed and that LARAEC used the same percentages that the community college used, so they decided to keep it that way.
- vi. Ms. Stiehl says LARAEC looked at what percentage of the whole pot is going towards base, equity, and success.
 - 1. Alice asked what was the equity determination? Ms. Stiehl responded that they used barriers.
- vii. LARAEC then looked at how to define success measures: EFLs, high school diplomas /high school equivalencies, PSTs, PSAs.
- viii. Ms. Stiehl notes that LARAEC was limited to the data they collect, which is why they chose students in TE.

d. Simulation #4 - page 18

- i. Ms. Stiehl said the idea for this was proposed by the non-credit part of the community college, where instead of looking at successes, this formula would add in new innovations mainly based on curriculum approved at the state level. LARAEC is not yet sure how to measure innovations, whether it be new projects, practice programs, or pilot programs.
 - 1. So, base + equity + innovation.
- ii. For the Innovation Indicators (sample) chart, Ms. Stiehl said they used placeholders where everyone received a straight percentage:
 - a. Burbank 3%
 - b. Culver City 2%
 - c. LAUSD 87%
 - d. Montebello 8%

e. Simulation #5 - page 20

- i. Ms. Stiehl says the idea for this simulation came from the notion that many other districts have other sources of funding they can use to support adult ed, which sprouted from the question, what if we added it to all of the districts pot.
- ii. They currently report that now through the program area report, which goes to the state, which tells by program area and program source.
- iii. Ms. Stiehl says they populated this from all of the different expenditures (not allocations) so therefore how much money is being expended, clarifying that is how our reporting goes. So we put all of that in, and asked then, what if we added all those funds to each of those districts pots and then multiplied it back out again. The yellow column represents what you would get from the CAEP funds based on the fact that they are getting money from elsewhere.

Mr. Asturias asked for the board members to make their introductory comments, and for everyone to take a pause to rearrange the room, to then start the discussion.

A member of the public asked when they are able to ask questions about the discussion, to which Mr. Asturias responded when they start the discussion.

Mr. Stark thanked the board members in the audience, labor partners, administrators, and everyone for being there, and engaging together on this.

He commended the speaker from Burbank saying she nailed it; simple is better. He added, saying that does not negate, shortcut, shortchange, or marginalize those other concepts and issues around equity, which are all very important, and they can all agree on that.

Mr. Stark says the sticking point is how to define and measure the variables, which is part of a larger more complex discussion that may need to be more of a state policy issue. Mr. Stark does believe that the simple per student approach is something everyone can stand behind in terms of ensuring-- maybe not so much equity, but equality, which is the first step in addressing two major issues that have been hanging over their heads, the first being the state audit, and getting that monkey off our back, and secondly, laying the groundwork for moving forward to make sure we are putting students' needs first. A student in Burbank should be worth the same as a student in LA, or LAUSD, or any other institution, which is what we're saying when we adopt a formula like this.

Mr. Stark said these issues can be very emotionally charged, as high stakes are involved, which is why this has taken so long. Mr. Stark again commended the work of the LARAEC staff and others who have put an immense amount of time and energy into these scenarios. He said they have looked at the trend data in regards to spending with districts and in many cases discussed what the needs of students in districts are. Mr. Stark believes we can do this in a really humane way, and that he is aware of the elephant in the room that many have been struggling with. He says nobody wants to be involved in a decision that hurts the very students they are trying to support.

Mr. Stark says LAUSD would be okay going with #1 or #2. In this case, simple is better. However, he is concerned about getting caught up with too many details and discussion variables not applicable to formula #1 or #2, and believes it would be going down another rabbit hole.

Mr. Asturias thanked Mr. Stark and introduced Ms. Montes.

Ms. Montes said the request came from Culver City Unified, from their district's perspective. She agrees with Mr. Stark on keeping everything simple, giving honorable mention to 2-5 as having value in terms of outcomes. She said that it was important to keep it simple.

What they want considered is looking at a 3-year average as opposed to looking at one year, because if somebody has a great or bad year, it throws it out of a potential allocation.

What it does provide is equitable distribution. The reality is that the cost of living for our district is relatively the same as the other districts. She said one of the challenges with different per person amounts, can be illustrated by older conversations they used to have before in the state, about the different funding formulas. The cost of running a program in Northern, Central and Southern California was very different in terms of cost of living.

Ms. Montes gave a second consideration, where in the next 5 years, they should move in the direction of looking at outcome-based ideas. She said even though they are nowhere near that, they should still be careful as the state will be looking at outcomes anyway.

Introductory Comments

Ms. Montes is concerned about the off the top number.

Ms. Montes would like to see what that off the top covers and she sees that the LARAEC office is off the top, and she loves that concept, but she needs to see what that amount would equal and cover. She says at this point it is about half of what Culver City gets. If it doesn't need to be \$893,000, then there's more money to be added to the distribution.

Mr. Frank thanked everyone for their tone, for working to knit the systems together, and for doing their best for their students. Mr. Frank gave a reminder that they had had two pieces of work to do: bylaws and funding allocation. He conveys congratulations on getting the bylaws in place, and he believes there will not be that much controversy today.

Mr. Frank mentioned that if LARAEC looked at the instructional hours, enrollments as reported for LACCD in simulation #1 were significant and even under the leveraged funds as reported, they would do a lot better than they're doing now. They made the decision that they truly do not want to bring those conversations into the consortium, he believes they do have the resources to serve their community. Possibly jointly apply for grants to address the reentry populations, and they do want to think about how to create pathways.

Nobody in the region is better situated to serve these students. Implementation of more complex funding formulas is probably premature, but it should be prioritized.

He said that they are there to be the best partner they can be.

Mr. Urioste introduced and thanked Principal Dr. Macias of Luther Burbank Middle school. Mr. Urioste conveyed his previous positive interactions with the consortium, Mr. Stark, and Mr. Frank. He shared a story about WASC and Burbank's interaction with them and Burbank USDs identity as being truly conscientious. He further conveyed that he works as a part of a team that included Burbank USDs Superintendent and examination of the formulas was a process.

Mr. Urioste says they believe Scenario #1 and #2 are best for Burbank, and the consortium. Mr. Urioste stressed the importance of a plan. He said that it is important to look at things in the short term as well as in the longer term and make changes as needed. Down the road it will be healthy for the Consortium to look at additional variables in regards to funding formulas

Ms. Jacquez commended everyone, stressed synergy and working together to create something greater than either of them. She believes they should focus on a 3-year plan. Representing Montebello Unified, their philosophy is to set or affirm, never deny. She said program effectiveness is becoming more clear and apparent. She agrees with Mr. Stark - What is the legislative intent? We need to clarify that today.

12 minute pause to rearrange seats.

Mr. Asturias confirmed that the workshop participation is limited to point person, and staff. They welcome the attendance of the audience, and at the end of the discussion, there will be another opportunity for public speaking.

Mr. Asturias introduced Facilitators Diana Batista and Veronica Parker, and said he wanted to start with clarifying questions from the introductory presentations from staff. Ms. Batista agreed.

Ms. Batista introduced themselves as the California Adult Ed Technical Assistance Project, and that they work for CDE and for the Chancellor's office. They work for all 71 of the consortia—independently—and are not interested in compliance issues. They are here to help facilitate a discussion. Ms. Batista then went into the norms they'd like to establish to have an effective discussion, including positivity, concerns, and laying down some ground rules for speaking, communicating, and listening. She asked if any board members had any questions?

Mr. Urioste asked if they ever defined innovation? Michele said no, as there are many things that could be defined as innovation, as there are too many variables to come up with a number. That is why they factored in a straight percentage (found on page 18 of the Funding Formula document). Diana suggested that they could speak about this later if needed.

Ms. Montes asked about the LARAEC office pull-out piece of it, such as if there is a way to identify what the \$863,000 is for. Lanzi responds that they present quarterly on the LARAEC budget, but they were not prepared to discuss those elements, but offered to prepare a presentation about the funds at the next meeting. Ms. Montes is more interested in the projected budget and expenditures that go with the numbers.

Ms. Batista asked if the Point People had a question.

Dr. Mullen from LACCD asked where the enrollment number is taken from in TE.

Michele Stiehl said that it is taken from the CAEP Summary Report in TE

Dr. Mullen asked why they don't use the Data Integrity Report

Lanzi responds that because it is an auditing report, and the official numbers are reported through the CAEP Summary Report. He reached out to the state office and both individuals indicated that the summary report is the appropriate place to draw numbers and it is best to use the CAEP Summary Report.

Ms. Batista said that numbers used were final numbers reported from last school year.

Dr. Mullen stated that other consortia use the DIR to drive funding conversations

Veronica Parker is introduced.

Ms. Montes asks for average enrollment for 16-17 and 17-18 and 18-19

Ms. Batista planned an activity, and asked Mr. Frank to begin. Mr. Frank said they could probably just eliminate all but Simulation 1 and 2, although there is some value to the others. Mr. Stark agrees that should be today's focus. Ms. Batista reminded everyone that this is a starting point.

Mr. Asturias asked everyone to turn to page 20 of the board packet, second bullet, to make the correction of the typo from 2020-2021 and should be 2021-2022.

Ms. Jacquez indicated that Montebello favored Simulation 1 and 2

Mr. Frank asked about the 2021 school year, and asked for clarification on funding model and year of implementation.

Mr. Asturias responded that that has not been determined yet, all of the data was based on 2018-19 data, as that is the most recent set of data. Mr. Frank asked what would the most recent data look like? Mr. Asturias said that the board needs to decide what data set needs to be used to implement all of these things.

Mr. Urioste indicated that Burbank would close discussion on #3-5.

Ms. Montes said Culver City would like to focus on Simulation 1 and 2.

Mr. Urioste asked when the current launch board would be updated? Ms. Batista says she doesn't think it will be updated until the end of January, because the college MIS System verifies all of their data at the end of the semester. It runs a little different than the typical adult school because they run on semesters. Mr. Urioste said he believes that will play an important role later.

Ms. Batista asked the board, point persons, and LARAEC Staff if there was anything that stood out as a plus for #1? And mentioned the public would be given time to participate afterwards. Mr. Urioste said he wrote down the issue of consistency as a plus for all of the members. The other is that it would be equitable. Ms. Montes said she wrote the same thing.

Mr. Stark said there were a few questions surrounding instructional hours, and that they might not necessarily be capturing them but services being given might not be reflected only in instructional hours

Mr. Frank likes 1 and 2, as they equalize small districts and gives additional resources to them. Doesn't seem to have much functional difference. A disadvantage of #1 is someone can get enrolled and receive full payment. While he doesn't think it makes much of a functional difference, he says it does seem funny that a person can just be enrolled. It doesn't seem right to be enrolled and get full payment

Ms. Montes said the benefit of 1 is straight number that has no effect connected to it. She appreciates a consideration of things that could be skewed based on larger populations versus smaller populations

Mr. Urioste does not like the word transparency, and prefers candor. They practiced managed enrollment and it really impacted ESL numbers, because its implementation was deemed punitive, and Burbank went away from that. He says it is not about an individual, it is about the students and job and hour changes for students, and managed enrollment penalizes students for things they can't control.

Ms. Jacquez says right sizing over 2-3 years would make the least impact.

Ms. Batista asked everyone to look at the limitations and negative factors on page 12.

Mr. Stark remarked that we're a big consortium. What does "good" look like in LA for adult education? Serve a large population. Looking at learners from lower-income levels. More funding for students is necessary and a broad coalition is necessary to push for more funding

Ms. Batista agrees, and asked if Mr. Stark feels that #1 does not address those issues? He responded no, it will not address all the needs and issues. He believes #1 is a good starting point, but does not believe they would ever necessarily get to a victory point. The real problem is that adult ed is grossly underfunded.

Mr. Frank left a marker for future conversations: we would like to make sure LACCD is seen as a participant in the funding conversation, and that we are not capped off on where we were funding-wise, especially in regards to COLA or any other increase in funding. The idea of even a tiny innovation fund that is grant driven might be a future conversation for the consortium.

Mr. Urioste said a minus is #1 is fluid and very unpredictable. He agrees with Mr. Stark and Mr. Frank. It does not take into account the difference in the program cost. One program can be more expensive than others, especially in regards to CTE and IET, the fact that people did not consider co-teaching, and therefore two salaries, #1 does not take this into account.

Ms. Montes said there is stability in using a three-year average of enrollment as it would not change drastically in three years even if one year goes up or down significantly. Sometimes new things are tried that do not pan out. This way they are free to innovate without being penalized. Another note on ADA, she says, it was based on instructional hours, not enrollment. A negative outcome was they did a lot to keep people longer. Now it is about helping students get to their place quicker, it looks bad if they are trying to keep them in to get money.

Mr. Urioste finds it interesting that K12 operates on enrollment figures. They do not have averages. He thinks they should focus on consistencies and address marketing. He knows enrollment can be tricky, as the funding goes down with it.

Mr. Stark said this has created a lot of challenges, like professional development, which has always been an area where teachers get short-changed, because contracts are around instructional hours only. He thinks embedding professional development as part of the assignment is crucial. He says new programs may require a skill set that many of their teachers might not have.

Dr. Mullen shared that they have a formula for how they distribute the funding they receive from LARAEC. She said that schools needed an opportunity to graduate to that. She also shared that the state recognizes that to build innovation, you need to be guaranteed a certain percentage of your base funding

5 min break to discuss in favor of Item #1.

Mr Stark stated that #2 introduces a variable that may be difficult to come to agreement on

Mr. Frank said he values persistence. Mr. Frank personally believes #2 is more defensible, on a more rudimentary value-based outlook. He then said he believes that using a three-year average gives reasonable stability. On the other hand, this is about dividing the pot. He believes that if there is a reduction in enrollment due to the economy or other factors, it will probably affect all districts similarly

Mr. Frank asked Ms. Batista if she can provide a state-wide perspective. She responds that she can't provide one, as this is regional decision making.

Mr. Urioste feels formula two is a plus but he is fundamentally in disagreement with the use of a twelve-hour marker but it does consider the uniqueness of enrollment given the parameters of under 12 or over 12. Ms. Montes agreed, saying it does acknowledge that a student who is here longer than 12 hours, does require additional service. There is a difference of what a school needs to do long-term. Ms. Batista said it puts the focus back onto the students needs.

Mr. Stark said it introduces a performance-based variable. There may be concerns about the variables and the weight of the variables. We may not be ready to dive-in at this time. Ms. Montes agreed, adding that #1 is simpler.

Mr. Urioste said, based on his understandings and inspirations from hearing speakers today, that #2 perpetuates a two-tier system of student value, saying who is worth what. He has a problem with it. Mr. Stark agreed that everyone believes student persistence is important, but we don't want to be punitive by implementing differentiation of funding based on this.

Ms. Batista asked Ms. Stiehl where the 60% came from? Ms. Stiehl said percentages were chosen randomly; a figure to be determined later. Ms. Batista asked for consensus, reminding that this discussion has been going on for a little over a year. Mr. Urioste then said we have not had as productive and focused discussion until today.

10 minute break to discuss consensus on formula.

Everyone agrees number 1 is a good starting point for discussions.

Ms. Batista then asked about any conditions for use. Mr. Stark said they should tie the funding formula to the planning process. Try it for three years with the understanding that it will sunset and then can reevaluate but yearly revisit is not attractive to him. Mr. Asturias said they have conversation starters on this issue, available upon request.

Ms. Batista reads the ideas on the poster regarding a revisit of funding distribution, and asked for a discussion of the first item regarding if the consortium received funds above COLA.

Mr. Frank suggested that if additional funds above COLA are received, they could go into a fund for people to apply for collaborative strategies between districts. Ms. Montes said it would be good to look at the money if this was the case. Ms. Jacquez asked if it would matter what the increase percentage

was? Such as an innovation fund of some sort. Also wanted to ask, in regards to starter costs for new programs (for ex. CNA, protective services, etc.)

Ms. Montes asked if a school decided to start a new program, would it mean that Culver might get less money because of it?

Ms. Batista clarified that they are only discussing what would trigger a reevaluation of the funding formula. She further clarified that Ms. Jacquez was saying that if more funding were received, start up costs of new programs should be considered during consideration of how that funding would be distributed

Ms. Montes needed clarification on how funding would work each year or if the funding would be static for three years.

Mr. Asturias recommended that they should be careful in regards to state legislation on decreases of funding distribution.

Ms. Montes clarified that she felt changes would be in accordance with the funding formula.

Mr. Urioste asked about looking at 19-20 numbers.

Ms. Stiehl clarified that numbers are typically about a year behind.

Mr. Urioste asked if this a launchboard issue? Ms. Stiehl said data can be gotten in TE in November

Ms. Batista said that one issue is that the CFAD is done in May.

Mr Asturias offered that the data for the current year is not available in the current year and the data from the previous year must be used.

Mr. Urioste asked about funding for 2021-22 and the data is based on 19-20 figures. Mr. Urioste then wanted clarification on staying with a funding allocation for three years.

Mr. Asturias relayed that the board would need to decide how funding timeline should work and make the decision about this

Mr. Stark agrees with Emilio that the goal is to obtain the most current data available. Consideration could be given to three year average or eighteen month average

Mr. Frank said he thinks it would be viable to use previous data and it might be necessary to give a base allocation and then adjust for the current year.

Mr. Frank asked for clarification on adjustment of funding either annually or every three years

Ms. Montes supports the idea of utilizing a 3-year average and recommends using complete data and not half-year data.

Mr. Frank likes 3-year strategy, and mentions how it is often used in budgeting and it is better to put it in place for 2021-22.

Mr. Asturias again reminds the Board that they need to make determination of revisiting annually or every three years. Utilizing a yearly basis may create less stability

Ms. Montes said that during ADA they did not get the same each year and the three year average would be more stable.

Mr. Stark asked Ms. Montes to layout the 3 year plan

Ms. Montes says they would take the 3-year average, whatever that amount is and determine what gets off the top, and what is left over, distribution is based on that. That process takes place again, but shifting it by one year. Mr. Frank added it is the same formula, recalculated, based on the 3-year average.

Mr. Asturias said that the state implemented multiple year projections in order to increase stability. How to proceed if the total grant is increased or decreased is also prescribed by AB 104. If there is yearly recalculation, it is a decision that needs to be made by the board

Mr. Stark agrees that AB 104 stipulates how allocations can be reduced.

Ms. Montes added that she believes the Ed Code allows for what we describe.

Mr. Urioste asked someone to research the statute and these definitions. He asked everyone to keep enrollment and outcomes in mind.

Mr. Stark agrees. He is concerned about labor partners not knowing what will happen from year to year. The state audit got everyone here. It will be problematic to revisit on a yearly basis. He wants to focus on some measure of stability. He indicates support for a three-year average locked in for three years.

Mr. Frank feels it is problematic for labor partners to lock funding in for three years versus annually

Mr. Stark said he wants to consider the K12 community. The formula has to be driven by the realities of the funding. He doesn't see it being well received in his district.

Ms. Stiehl clarified in regards to AB 104 legislation. She said that the legislation specifically addresses only years where the state increases or decreases funding to consortia.

Mr. Frank said that he feels the amount of funding for adult ed would be a much stronger place if we could show our work is based on goals, performance, and growth, to justify additional funding. He supports what puts the consortium in the best position. He reiterates that he thinks annual recalculation is better.

Ms. Batista reads from the poster that a 25% increase or decrease could prompt a revisit of the formula

Mr. Stark wants to hear on bullet 3 from the poster, where did 25% come from? Mr. Asturias responded that the idea is about a significant change in

enrollment. Will define "significant" later. Mr. Stark is concerned that it seems obvious but it is more complex. He is concerned with the mechanics.

Mr. Frank clarifies if member districts support bullet three. Members agree that it is unclear. He further clarifies that all 5 districts would need to agree before the formula could be revisited

Mr. Urioste mentioned that the reason this is taking so long is that all of this is new information.

Ms. Batista confirmed Formula 1 is consensus, and asked if there are any other conditions. Ms. Batista said it will become part of the action item in January.

Mr, Asturias said that the discussion is now on implementation, and whether we will recalculate every year or 3 years.

The meeting recessed.

90 minute lunch break

The meeting resumed at 2:00 PM.

Ms. Stiehl clarified that the question right now is are we going to keep the calculation every year, or recalculate every year?

Mr. Frank reiterates if we have a formula, why are we not applying the formula. He feels that they should apply the 3 years, but each year, apply the most recent data - so the amount would change. We wouldn't be able to plan for it. Ms. Batista says, in other words, we would apply for 3 years, and the data could change every year. Ms. Montes said she agrees with everything Larry just said.

Mr. Urioste asked for clarification regarding AB 104 and the annual recalculation of funding

Mr. Asturias said since they are all new to this, he would want to request legal review in order to evaluate that.

Mr. Frank suggested implementation would be with recommendation of general counsel.

Mr. Stark said this creates a certain level of uncertainty, and that he cannot accept the recalculation every year. He mentioned that Larry is new to this consortium issue, and knowing how much time was spent, he prefers locking in a rate for 3 years, and revisiting those contingencies. LAUSD not in favor.

Mr. Urioste said he agrees with that, and prefers consistent funding for 3 years.

Ms. Batista says three board members would like 3 years locked in, for the purposes of today's discussion.

Ms. Montes reiterated the impact over time with an allocation that changes, which is a tweak. She is concerned about long-term effects. She says adjusting annually is easier for her.

Mr. Stark says K12 adult ed does not get extra dollars, so it must come from base allocation.

Mr. Urioste reminded that they cannot determine COLA or other additional future dollars. That is why he would be comfortable recommending the three-year revisit to the superintendent. 3 years leaves open that as additional funding becomes available it can be easily distributed.

Ms. Jacquez suggests pulling reports of what simulation would look like for the past three years, what the impact would be.

Mr. Asturias said it might be difficult to complete the work with the holiday break upcoming.

Ms. Montes asks where the numbers would need to come from?

Dr. Mullen responded that anyone can get it from TE.

Ms. Batista clarifies that the request is for LARAEC staff to run last 3 years of enrollment data under Scenario 1.

Mr. Frank asked if they could do a 3 year rolling data

Ms. Stiehl said 18-19 is most recent.

Recap by Mr. Asturias: they will try to use the most recent data set. We agreed on Formula #1. We agreed on using a three-year average and on locking in a 3 year-term. Board has requested staff run a simulation on running average as a means of comparison.

Mr. Frank reminded everyone that 3 of 5 members had agreed on locking funding in for three years and is concerned about choosing #1 over #2 and that we are not even willing to glance at the issue of persistence. He said he thinks outside observers would notice that, like our superintendent. From a management point of view, it reduces the risk to have a rolling transition.

Ms. Batista reread poster on the conditions. 3 year vs the 1, and are we applying it one time or annually, multi-year. Recommendations are set. Ms. Batista said the next steps are to write the language, and bylaws.

Ms. Montes asked if the plan is for there to be a vote on Jan. 17th? Still wants LARAEC staff budget amount.

Ms. Batista said they will be taking a vote.

Mr. Stark asked if LARAEC off the top is all staffing?

Mr. Asturias said that they presented this. Some additional funding paid for consortium staff.

Ms. Montes asked if the money was also part of carry over?

Mr. Asturias offered to present that in the future.

	<p>Mr. Frank clarified that we will do Scenario #1, then do 3 year average of 15/16-16/17-17/18 as well as 16/17-17/18-18/19. Ms. Batista is concerned with 2015/16 numbers.</p> <p>Dr. Mullen said that TE is the driver in all of these scenarios. We all have access to that data.</p> <p>Mr. Frank clarified that they make a tentative agreement on 3-year average.</p> <p>Mr. Stark wanted to make sure they take a broader-based approach.</p> <p>Ms. Batista concluded the workshop portion.</p>	
4 Public Comment	There was no public comment.	Mr. Urioste
Announcements	Announcements: Next board meeting is Friday January 17, 2020 Site at Van De Kamp.	Mr. Urioste
5 Adjourn	Mr. Urioste adjourned the meeting at 2:50 PM.	Mr. Urioste