

## Minutes of the AFT 1521 Executive Board Meeting January 15, 2019

- I. **Call to Order** at 2:10pm
- II. **Approval of Agenda** (Waddell) – approved unanimously
- III. **Member Education:**
  - A. Sacramento Update: 2019-20 Budget – Mark MacDonald, MGI

MacCallum Group – lobbyist from Sacramento. Presentation on Governor’s proposed budget. This is just the first step, then it’s the legislature hearing meetings to hear Governor’s proposals. May 15, Governor presents updated budgets and proposals. Legislature has until June 15 to vote and pass a budget to send to Governor. M. MacDonald was impressed with a presentation by Governor Newsom because he answered all the questions that went into the weeds. He is very knowledgeable and smart.

### Budget Adjustments

- 2019-20 Budget adjustments – we got the statutory split for proposal 98. This governor stays at 10.93% split. Most of the money proposed for community colleges is taken up in a COLA. In the last few years we had a few big initiatives, e.g. Adult Education, Strong Workforce, etc. There are not many new initiatives proposed this year because outside of COLA there is not much money from proposal 98. LACCD share for COLA is 22.35 million. With Second Year College Promise, LACCD would get about \$3.5 million. LACCD’s share on other items, e.g. Enrolment growth, COLA to certain categories, legal services for undocumented students, and Funding Formula Hold Harmless it to be determined. The hold harmless provision means that districts will receive no less than what they would have received in 17-18 plus a COLA.

### Student Centered Funding Formula

70% of formula is based on SB 361 Model

20% is equity allocation to count for low income students served

10% is based on student success metrics put into the funding formula

Non-credit and dual-enrollment is funded outside of the funding formula so you get full FTES for these students.

For 19-20 he is proposing to keep the student success funding formula at 10% is not move it to 15%. He does not change the phase-in period and still proposed that at the end of 3 years, even though it would be held to 70-20-10, the following year, it will still jump to 60-20-20, it would skip the 65-25 piece

Creation of an oversight committee – John McDowell was appointed a member of this committee.

Breaking down the numbers:

The dollar per credit FTES is \$3,727 in 18-19, then \$3,387 in 19-20, then \$3,8...

The supplemental allocation – dollars per point goes from \$919 to \$951

LACCD does well on equity component because we serve a lot of students, but students will also have points added to them based on their outcomes and achievement of ADT, associate's degrees, certificates, etc.

J. Waddell – comments that students now have a price on their head, so when you into budget meetings and there are discussions about what programs are cut and added, understand that management is going to now maximize the dollar amounts/points that these students are now worth to the college.

These things are under discussion. In places that move to performance based funding, colleges move to short-term certificates to maximize points on the scale.

Under the funding formula, in 18-19, 19-20, and 20-21, a district would receive the greater of the formula total or the amount the district received in 17-18 adjusted for changes in cost of living.

Formula contains a “stability” provision that delays any decreases in revenues by one year. 19-20 “stability” cost is about \$72 million. This won't apply to LACCD because it is currently in growth.

Proposed budget could cap “Student Success” year-over-year increases at 10%. For other categories, there is no cap on growth.

The Funding Formula oversight committee will be looking at including 1<sup>st</sup> generation college students as one of the points; including timeline for better data collection. The governor wants to freeze the student success increases to 10% because the data hasn't been good and he wants to improve that first before raising that. Will look into definition of low-income student and whether to adjust the definition to better reflect regions with high cost of living. And looking at whether get a point for students incoming that are below, inclusion of noncredit instruction and instructional service agreements and whether these should be incorporated; and also what adjustments to be made if there is a recession.

This governor is making an upfront investment in the retirement out of non-Prop 98 resources into CalSTRS in order to reduce the employer contribution to CalSTRS over the next 30 years. Of the \$3 billion, \$33 million is for community colleges. \$700 million buy-down in 19-20/20-21 – the community college portion of this is \$55 million.

O. Shewfelt – one of the issues in the press is that teachers’ pensions cost too much, what are the politics and dollars going into this that might help the case for teachers? Is there anything employers can do to be fiscally responsible without exaggerating reserves?

The previous governor was looking into allowing local governments to reduce, even prospectively, for those in the pension system. In order for employers to reduce contributions into this system, there had to be an equal benefit to employees, so what happened is the annual COLA became vested and to increase employee contributions, but what happens is after 20-21, the CalSTRS board has the ability to set the employer contribution rates to ensure the fund is fully funded, but within certain parameters.

However, Governor Newsom is probably not going to touch that. Putting money into this is a step to pay down the debt and making a commitment to employees that their pensions will still be there. LACCD savings in 19-20 of \$2.6 million.

J. McDowell - If the state covers some of the employers’ costs, this means that employers will need to pay out less.

An employer increase, is a decrease for the employee.

H. Ealy – expressed concern about the way that we should be on par with other contributors as a positive rather than a negative. If government puts a certain amount in, then teachers need to put a certain in. We have been beneficiaries of slow inflation increase, there will be rapid inflation in next 10 years, but there is no mechanism to adjust for annual increases faced by retirees.

S. Hendricks – SBMA always adjusts for inflations. CalSTRS board is talking about raising that from 85% to 90%.

The estimated savings from that \$3 billion is that it would save about half a percent from the board. In 2020, savings for LACCD will be about \$2.6 billion.

#### Financial Aid Governor’s Higher Ed Advisor appointed to Student Aid Commission

There were 4 proposals the governor made with deal with Cal Grant

Cal Grant B Access Award (CCs) for non-tuition, etc. – proposed to raise to \$6,000

Cal Grant C (CTE) Access Award – proposed to raise to \$6,000

Competitive Cal Grants – proposed to increase to 30,000

The CCCCO proposed to increase financial aid for CC students based on total cost of attendance, assume estimated family contribution, also back out other financial aid, resulting aid would be gap. Estimated cost is \$1.5 billion of non-Proposition 98 money. They set it up so that it could

slide, so that if there was \$1.5 billion available they could slide down or they can slide up if there is more money available.

Questions:

B. Walsh – is the hold harmless for college or district?

-District

-J. McDowell – concerned about what happens when the hold harmless period expires.

-After 20-21 there is no plan for what happens after the hold harmless expires.

-M. Olivas – our Chancellor was unable to answer the question about what happens after.

-J. McDowell – we should not lose sight that performance-based funding is only 10% of the formula. Enrollment is still 70%. We still have to focus on growth. Concerned administration is so focused on the extra points that they will lose sight of enrollment. If we don't the FTES, there is no one to get the points from.

#### **IV. Action Items**

A. Old Business - none

B. New Business

- i. Motion: approve proposed minutes of December 11, 2018 (Chen) – M/S/P with 1 abstention (Brian Walsh) and amendments.
  1. Edit – under Officer Reports from Sharon Hendricks, Grace Chee did not make request for format changes. Delete sentence, “Grace asked for formatting change to Sharon’s report.” It was Henry Ealy who asked about formatting.
  2. Key point: Correction that it should not state that there is no report when it states there is a written report.
- ii. Motion: approve MOU granting a paid day in-lieu-of-assignment to honor the Day-of-Mourning for former President Bush (41) (available Tuesday) (Waddell) – M/S/P
  1. Key points: All faculty have to the end of June 2019 to take a paid mourning day. No one will get money, you will only get the time off. These days are in addition to your illness days. It is like a PAL day, and if you don't use it, you lose it. There are some caveats for faculty with other work special circumstances who cannot take the day by June 30, 2019.

#### **V. Officer reports**

A. Treasurer (Hendricks) – Provides update of expenditures.

- i. Highlights

1. P. 10 under negotiations there is a large expenditure for copies of the contract. \$56K was spent on making and sending out the contracts. S. Hendricks thinks we should consider a different way to distribute the contract that reduces costs.
2. We spent \$54K on the Benefits and Retirement Seminar (BRS). For next year, do we want to continue how we currently run the BRS, or can we find a less expensive way to offer the BRS.
3. We exceeded budget for union elections.
4. Sandra – what happens when we go over the allocated budget?
5. S. Hendricks – we need to budget better and spend less for the next year.
6. Faye – Was there any attendance difference when we have the BRS at a hotel vs on a campus?
7. S. Hendricks – faculty like the hotel location – logistics with rooms is easier and people enjoy the food.
8. G. Chee – recalls attending the BRS at LATTC with hot meal under the tent, and thought it was a well-attended lovely event.
9. S. Hendricks – that event had about 260-something vs 370-something in attendance. For older folks, being in the tents and cold is undesirable.
10. D. Eckersley – agrees that the event at LATTC was nice; however, the backbone of the Guild is not a retirement seminar, but it is the Contract. There were issues with the printer and former printer which did override what we wanted. Recommends not mentioning in negotiations about issue with cost of print the contract.
11. G. Chee – we’re almost at \$20K of the \$30K for printing – where have our printing expenses skyrocketed in the first six months. Would it be possible to get clarification on the printing costs and to moderate some of the printing costs. Expresses appreciation for email announcements.
12. S. Lee –For the 3 clerical staff, why did cost change decrease from 16-7 to 17-18?
13. Faye – Pg. 9 under dues, are we on target with dues?
  - a. S. Hendricks – we are on target.
14. S. Lee – Pg. 2, line item 833 for legal, can we have a breakdown of the legal expenses for 16-17 and 17-18, e.g. 3 arbitrations, etc. What are paycheck fees?
  - a. J. Waddell - our payroll accounting system.

15. O. Shewfelt – p.12, line 791 – What accounts for the increase in utilities? Why did we have a substantial increase the estimate amount from 17-8 to 18-19 budget?

a. S. Hendricks - \$14K is the budgeted amount, and the actual amount spent is \$5K.

B. Secretary (Chen) – absent

C. Executive Vice President (Elarton-Selig)

- i. Why Wageworks is seemingly diligently asking for documentation that they did not ask for before. They did not win the contract, starting May 1 we will move to ConnectYourCare. Everything goes to Wageworks for now. Wageworks is trying to make sure they have no liability. They don't have the money, they bill the district and the district pays them the money that they disburse. They want to make sure that they don't have to eat it in the end of there is a shortage of money. The computer lines up the provider's identification with normal services. We are going with the new company because they have a 92-93% auto-approval. Dentists are a big one because teeth whitening is not covered, so if you go to the dentist, you have to submit an itemized receipt. Wageworks does not want to have to deal with coming after folks for reimbursement for unauthorized expenses. Bill is trying to work with Albert regarding sending out a message on the rollout. Only about 1,500 members have the HRA, and only about half use it so we don't want to send an email to all faculty because it will confuse folks.
- ii. HRA money does roll over. FSA money does not, but HRA money does. It does not roll-over with Wageworks, it will rollover in the new system. The money is held in a trust with the district.
- iii. The new \$1,500 is there already. Our access to the money is the same, what changed is the company that administers it.
- iv. The HRS is only available to retirees under the age of 65. It is your money for good, but you won't get a card, and will need to do it manually.
- v. The new Vision insurance is in effect.
- vi. S. Lee - For adjunct sick days – for adjuncts who don't teach a full day, why are they being deducted a full day for sick days? Why isn't deducted proportionally to the hours taught?
  1. S. Lee will send examples to J. Waddell.
- vii. G. Chee – in LACCD you earn one day
- viii. In SAP, it only handles by whole days, it has no ability to handle portions of days. Faculty earn a day for any day they are assigned to teach, regardless of how many classes, and they lose a day when they take a sick day.

D. President (Waddell) –

- i. We got 3 policy wins this month – 1) not crossing UTLA strike line for faculty who teach at other LAUSD campuses. We managed to work with management so that classes were canceled, moved to hybrid, or moved to a campus. 2) we protected the integrity of the hiring process. We heard that a non-faculty employee from another unit had an issue and management’s solution was to put them into a full-time teaching position. Recognizes V. Bernal for catching this. Management found another solution. 3) We negotiated a day of Mourning for faculty and worked through the quirky issues.
- ii. Two years ago LA County Fed came up with a strategic plan. There is a yellow sheet in the report that shows how they assess their strategic goals.
- iii. Back on page 22, there was a breakfast on Saturday. S. Hendricks shared her opinion on the event.
- iv. There was a Board meeting on January 9, and it was Ericka and Johannes’s last Board meeting. Svonkin and Moreno did not come down to take pictures with her. Trustee Svonkin freaked out that we will be using old servers, and we are not saving money from blowing up IT and going with a consultant.
- v. V. Bernal – what is the planning regarding the UTLA strike?
  1. J. Waddell – we will hold a meeting if the UTLA strike goes on for more than a week to handle issues with the offsite courses.
- vi. M. Olivas – how do you report the Day of Mourning?
  1. J. Waddell – you report Day of Mourning.

VI. Committee and Professional Staff reports

- A. EDD (Holland & Taira) – The Guild has put out a notice for an EDD Ombudsperson. The Guild thanks Ken for his work.
- B. Foundation (Knorr) – No report
- C. Government Relations (McDowell) – No report
- D. Good and Welfare (Labertew) – No report
- E. Grievance (Eckersley) – Print report also submitted
  - i. Guild went to arbitration and wants to go back. We contacted the arbitrator concerning Pierce and we are waiting for a response.
  - ii. We have a few problems at Southwest, but there are a lot including HVAC. We have problems at LACC, where it is quite bad. J. Waddell and d. Eckersley did already meet with President Gallagher
  - iii. We have issues with Counselors complaining that administrators requiring they work 7 hours a day. It is in the contract, Article 13 Table A that the counselor workload is 35 hours a week, 7 hours a day.

- iv. The non-classroom adjunct has a .2 assignment, which is 7 hours. The question: Is that a maximum or minimum? Some VPs are saying that it is exact, and that they will counsel 7 hours. The intent was that there would be a uniform base for how non-classroom adjunct faculty could earn seniority. It was intended to be a minimum. If a counselor only wants to work 3 hours, they can do that. The offer has to be for 7 hours, but they don't need to accept the full 7 hours and can accept less, and then the administration gives the rest to someone else.
- F. JLMBC (Elarton) – See Vice President's Report from earlier
- G. Negotiations (Waddell) – See President's Report from earlier.
- H. Organizing (Menon) – Print Report submitted.
- I. Retirement (Hendricks) – California Pension Trustees are calling for disclosures of #MeToo Costs. We are asking trustees from other pension funds from around the world to tell companies that when you have sexual harassment and misconduct in your company, it reduces shareholder value. S. Hendricks got re-elected to another term to the CalSTRS board and is returning the Guild donation she did not need to use for re-election.
- J. Student Interns (Montiero)
- K. WEC/Bond (TBA) – No Report.
- L. AFIC (Holland and Taira) – No report.
- M. Budget – State and District (McDowell) – No report.
- N. Communications (Kaye) – No Report
- O. COPE report (Montiero) – Print report also submitted
  - i. There are 2 action items
    - 1. AB 2 – 2 years community college fee free. Miguel Santiago asked for us to sponsor the bill COPE recommends to sponsor it. Motion – sponsor AB 2 – M/S/P
    - 2. Motion – To contribute \$1,000 to Trustee Andra Hoffman for her 2020 campaign to the LACCD Board of Trustees
      - a. M/S/P to approve consideration of the motion
      - b. M/S/P to approve motion with 1 nay.
        - i. Comments – H. Ealy – is the \$1,000 standard to donate?
        - ii. S. Lee – COPE discussed and came to a middle ground to donate this amount to show we support her, but we have not yet endorsed her.
        - iii. O. Shewfelt – thinks it's weird to donate money when we have not endorsed her yet.
        - iv. H. Ealy - When do we plan to endorse?
          - 1. It's early, but maybe in October/November.



- v. S. Lee – What happens if we ended up not endorsing her?
- ii. Dolores Huerta Labor Institute (Chen and Galvez) – No Report.

The meeting was adjourned at 4:12 p.m.

Minutes recorded by Kenadi Le

(for Mindy Chen, Recording Secretary, absent due to illness)