

Southern California
TRIBAL CHAIRMEN'S
Assoc., Inc.



29

March 12, 2007

Nancy Theodore, Program Analyst
USDA, Food and Nutrition Service
Food Distribution Division
3101 Park Center Drive, Room 506
Alexandria, Virginia 22302

SUB: Funding Methodology

- A) It should be fair. Funding to be based on number of persons, as well as services rendered and request expenses to be incorporated in the method itself and not to be claimed later on. So as to make it simple and there is no suspense.
- B) Request retained amount of 10% to be set aside for emergency and unforeseen expenses only.
- C) Method to add 5% inflation factor every year.
- D) Cost of living adjustment for FDP staff every year.
- E) No Reduction in budget amount as there have been increases in expenses in all line items of the budget and reduction will harm the running of program at high level.
- F) The fact that reduction will be spread out in a period of 5 to 10 years itself shows that it is not practical. We request a fair method without reduction in funds to any program and to adhere to Phil Cohen's work groups goals and cost drivers.

Our concerns and concerns of other tribal leaders to be addressed and taken into account by amending the method to satisfy all, so that the program can be run at desired level avoiding lack of funds to any ITO for the benefit of the needy families.

- G) The method to be easy and fair as "Option 2" adopted by Mr. Lakhani, which is according to maintenance of effort rules, and it is an answer to all shortcomings in other options.

Request use it even if it used with minor adjustments. It is workable and fair to all regions.

Thank you.

A handwritten signature in black ink, appearing to read "Denis", followed by a long, horizontal, wavy line extending to the right.

Denis Turner
Executive Director

Enclosures:

1. Fax Cover Sheet from Controller's Office – Financial Support Services
2. Fiscal Report on Maintenance of Effort rules
3. Work Group goals set by Phil Cohen during the first meeting when he was the Chief

Controller's Office – Financial Support Services

Los Angeles County Office of Education
9300 Imperial Highway, Clark Building
Downey CA 90242-2890

Fax Cover Sheet

DATE:	March 14, 2006	TIME:	08.28AM
TO:	Yunus Lakhani Director, FDP	PHONE:	(760) 749-6364
		FAX:	(760) 749-7700
FROM:	Zak Memon	PHONE:	(562) 922-8857
		FAX:	(562) 401-5408

RE: Maintenance Of Effort

PAGES SENT: 2 (Including cover sheet)

MESSAGE: Hi ,
Here is the copy of MOE

Thank you ☺

This facsimile message may contain information that is privileged and confidential. Any use, copying or distribution of this communication by other than the person or persons named above is strictly prohibited. If you have received this communication in error, please notify the sender immediately.
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Ask SSC . . .

What Is Maintenance of Effort, and How Is It Measured?

- Q.** We are in the middle of negotiations with our teachers' union. The union has indicated to us that it thinks that our district's "maintenance of effort" for the unit is not very good. What do they mean by "maintenance of effort," and how is it measured?
- A.** In its simplest form, maintenance of effort means that what you are offering in compensation and working conditions will allow you to maintain relative comparability over time. The Educational Employment Relations Act requires that factfinding panels consider a "comparison of the wages, hours, and conditions of employment of the employees involved in the factfinding proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally in public school employment in comparable communities."

There are many ways to demonstrate your effort to a specific bargaining unit. A percentage of expenditure budget allocated to a specific bargaining unit is one way. Showing that the percentage allocated to that unit has remained constant or has increased over time can be compelling. In addition, comparing your percentage to your neighbors' or to the statewide average can demonstrate your effort toward that unit.

Another way is to lay out the salary increases given over a set number of years, along with step and column and health benefit increases, compared to the same information from neighboring districts that are in comparable communities. If your total over that period of time is in the mid range of the comparable districts or higher, you could argue that you have maintained your effort. In addition, including other working conditions, like class size or extra preparation periods, is appropriate if you are providing extra effort in areas other than salary and benefits.

Yet another way is to compare your total compensation ranking at the beginning of a time span to your total compensation ranking today. If you have maintained or improved your relative position or ranking over the time span, you can again argue that you have maintained your effort.

Maintenance of effort is not the same as comparability. A district could be ranked near the bottom of the salary rankings, but if it is now giving higher raises or spending a greater share of its budget in the bargaining unit, it could have greater maintenance of effort and still have low salaries.

Like many aspects of negotiations, demonstrating your maintenance of effort to specific bargaining units is not a science and there are many ways to do it. However, demonstrating it in a way that is reasonably explained and that the bargaining teams or a reasonable third-party can understand is the best way.

— John Gray

similar memorandum was sent to FNS Regional Offices and the Regional Offices were asked to share the memorandum with the Indian Tribal Organizations (ITO) and State agencies in their respective regions. Prior to receiving a formal response from NAFDPIR, FNS received appointments from regional ITO associations in the Western (i.e., Yunus Lakhani) and Southwest Regions (i.e., Melinda Newport). NAFDPIR appointed Tony Nertoli, NAFDPIR President, and the four regional Vice-Presidents: Ray Capoean (Western), Red Gates (Mountain Plains), Linday Rayon (Southwest), Susie Roy (Midwest). To ensure that the Southeast and Northeast Regions have direct representation on the Work Group, FNS asked its Northeast and Southeast Regional Offices to request that the ITOs in their respective regions appoint a Work Group member. The Northeast ITOs appointed Sharon Thompson, and the Southeast ITOs appointed May Lane Allen.

Each FNS Regional Office was asked to appoint a member to the Work Group.

Role of the Program Directors:

The Program Directors are expected to represent all of the other ITO and State agencies in their respective regions. These Work Group members are expected to advise the other Tribal and State Programs Directors of the progress of the Work Group, and solicit and present input from their fellow Program Directors. In addition, all Program Directors are expected to advise their Tribal and State governments of the progress of the Work Group.

Ground Rules:

The Work Group discussed ground rules for the group. It was agreed that:

- Members would be on time for all meetings/conference calls.
- The Work Group will use "Parking Lot" concept to hold issues not relevant to the current discussion
- The Work Group will employ a time keeper to keep discussions on track and timely
- The Work Group may employ sub-teams to explore issues
- The Work Group agreed that, to the extent possible, the discussions should be held in face-to-face meetings, rather than conference calls

Member Input:

The Work Group members were individually asked to comment on their goals for the Work Group, and any issues they would like the Work Group to consider.

- Short timeline for development of the new funding methodology
Develop a new funding process; not repackaging the TNT proposed funding formula
- On separate track, seek additional funding through Farm Bill Reauthorization in 2007
- ✓ Incorporate historical factors, i.e., past performance in regard to expenses
- ✓ Build in inflation factor
- ✓ Relate to Consumer Price Index
- ✓ Maintenance of effort
- ✓ Geographical location, e.g., tailgating, fuel expense
Cost efficiency
- Type of operation
- ✓ Salaries are large part of budget (need to allow for cost of living allowances (COLAs), etc.)
- In-kind costs
- Tribal match