

# California Cradle-to-Career Workgroup Meeting Summary

July 16, 2020

The California Cradle-to-Career Data System Workgroup scheduled two additional meetings in July 2020 to investigate possible solutions for a managing entity for the state data system. This document provides a summary of the key points that emerged from the second meeting, which included a national perspective on managing entity structures, and a review of how options identified in the first meeting fit with the criteria affirmed in the first meeting. More information about the meeting, including support materials, a recording of the meeting, and the PowerPoint, are available at <https://cadatasystem.wested.org/meeting-information/workgroup> (click on “Meeting Materials”).

The following workgroup representatives and delegates attended the meeting:

Thomas Vu, Association of Independent California Colleges & Universities; Michael Marion, Bureau for Private Postsecondary Education; Michele Perrault, California Commission on Teacher Credentialing; Barney Gomez, California Community College Chancellor’s Office; Ben Allen, Cindy Kazanis, and Jerry Winkler, California Department of Education; Tim Murphy, California Department of Technology; Akhtar Khan, California Department of Social Services; Elaine Scordakis, California Health and Human Services; Amy Fong, California School Information Services; Ed Sullivan, California State University, Office of the Chancellor; Patrick Perry, California Student Aid Commission; Amy Faulkner, Employment Development Department; Joy Bonaguro, Government Operations Agency; ; Jeanne Wolfe, Labor Agency; Sara Pietrowski, State Board of Education; Chris Furgieuele, University of California, Office of the President.

## Public Comment

The meeting began with public comment. Colleen Moore from Education Insights alerted workgroup members to a report, based on interviews with stakeholders and input from an advisory group, which offers potential criteria for selecting the managing entity. Key factors should include independence and accountability to the public interest, particularly to ensure that data can be used once it is connected.

Magali Kincaid of Public Advocates noted the importance of selecting a managing entity that will be able to meaningfully engaging stakeholders, is committed to equity and actionable data, and can support various stakeholders to make informed decisions.

## National Perspectives

Gavin Payne of the Data Quality Campaign outlined several models for managing entities used by longitudinal data systems in other states and answered questions from workgroup members. He noted that the most durable managing entities were created through legislation and are based in state agencies. However, states have elected to use different structures related to the host agency. Some created independent entities associated with a state agency (although he has not found examples of a nonprofit auxiliary), while others are based in the governor’s office. Some states have changed which entity is the managing entity over time.

Many different managing entity structures are feasible, but the most important factor is the governance framework. Other states include representatives from each data partner on the governing board. Systems are more likely to build trust and become more durable when they ensure that stakeholders who could use the data—such as the public, policy makers, or practitioners—also have a voice in the

governance process. Often the governing board members are appointees, which can lead to challenges with the board becoming politicized, which can hamper implementation.

Many states have been creative about bringing in contractors or creating public-private partnerships to implement the data system. Some also have ensured that partner entities are engaged in building out the system or in maintaining it, to foster ownership, trust, and transparency.

Baron Rodriguez, who previously provided technical assistance to state data systems for the federal government, noted that it is helpful to have a neutral entity, rather than one of the data contributors, because the system managers must become fluent in the characteristics and challenges of each data source included in the system.

The facilitator shared input from the Legal Subcommittee. Overall, the group felt that any of the organizational structures under consideration were legally feasible, based on what gets enshrined in legislation, legal agreements, and the governance framework. She also alerted the group to answers to questions posed in the last meeting regarding how JPAs function from a report sent in advance of the meeting.

Patrick Perry of CSAC noted that the effectiveness of the managing entity is strongly influenced by the people running it. Any structure can work with the right people, but no structure guarantees that the right people will operate it.

Chris Furgiuele of UC urged the Governor's Office to weigh in on the option that would work best. The facilitator reminded the group that in the June workgroup meeting, Ben Chida indicated that the Governor's Office did not have a specific model in mind for the managing entity and respected the expertise in the group to identify an appropriate solution. Gavin Payne of DQC encouraged the group to develop a detailed model rather than a general solution, as this will make it more likely that the data system will be built and that the partner entities will remain engaged.

Both Joy Bonaguro of GovOps and Mike Marion of BPPE noted that it might work well to have the managing entity be incubated in one location and then move it, if necessary, to address evolving needs.

The group discussed whether any structure would be more likely to keep data secure. Ed Sullivan of CSU was concerned that a nonprofit auxiliary could not handle the scale of the data set and wondered if an existing entity would be reluctant to take on the risk of a data breach. Elaine Scordakis of CHHS and Amy Fong of CSIS felt that the level of risk was the same in all options and could be addressed through the legal agreements.

### Comparing Options to Criteria

The facilitator walked through a high-level chart that applied the criteria created in the last meeting to several possible organizational structures, including a new state entity, an existing state agency that is a data contributor, an existing state agency that is not a data contributor, a nonprofit auxiliary, a JPA, or a joint venture.

An anonymous poll of which option would be the most appropriate showed that there was a wide variety of options selected:

- New state agency: 5
- Existing agency contributing data: 3
- Existing agency not contributing data: 1
- Nonprofit auxiliary: 5
- JPA: 2
- Joint venture: 2

The group then discussed each option.

### New State Agency

Cindy Kazanis of CDE noted that having a new entity could help to build trust while still being able to attract qualified staff. Ed Sullivan of CSU, Michele Perrault of CTC, and Chris Furgiuele of UC concurred, noting that a new entity would offer the best governance framework, provide accountability, foster transparency, and allow for flexibility to adapt the data system to evolving needs.

Mike Marion of BPPE was concerned that creating a new state agency would take additional time and slow down the creation of the data system. Joy Bonaguro of GovOps recommended that the workgroup think about start-up times more explicitly. Barney Gomez of CCCCCO expressed concern that a new agency could not be created under the current budget crisis.

Patrick Perry of CSAC noted that state agencies support accountability and oversight but a new state entity would cost more, require more effort to create, is more easily politicized. This option may be risky if appointees to the governance board do not include data contributors.

Several workgroup members asked for clarification about the level at which the new entity would be created—would it be an agency or something smaller? They also wanted more information about how the entity would be created after the workgroup makes its recommendation and how its governing board would be created (for example, would it be appointed?)

### Existing Agency that Is a Data Contributor

Akhtar Khan of DSS, Elaine Scordakis of CHHS, and Sara Pietrowski of SBE noted that it would be beneficial to use a state agency with experience in data management. This entity could move quickly given that it would have policies and procedures in place for contracts and hiring, and staff with the appropriate skill sets. It might also be a more cost-effective option because it does not require hiring new operations staff. Akhtar Kahn of DSS why his agency had many of the skills desired for the managing entity.

Chris Furgiuele of UC raised a concern that an existing entity might not prioritize the data system.

Patrick Perry of CSAC felt that an existing state entity would require a strong governance structure and might struggle with neutrality, independence, and trust.

### Existing Entity that is Not a Data Contributor

Tim Murphy of CDT thought this option would provide cost effectiveness and speed with fewer concerns about neutrality. Perhaps the managing entity could be attached to a department rather than an agency.

### Nonprofit Auxiliary

Mike Marion of BPPE, Tom Vu of AICCU, Joy Bonaguro of Gov Ops, and Amy Faulkner of EDD felt that being attached to a state agency would provide the infrastructure that a nonprofit might need, while still allowing for appropriate oversight and accountability. Given the desire to build a data system quickly, a nonprofit provide the nimbleness required to get the system off the ground.

Patrick Perry of CSAC indicated that a nonprofit auxiliary can be a helpful component, particularly related to securing philanthropic funds, and does not need to be the one to manage the data.

Chris Furgieuele of UC noted that outsourcing puts too much separation between the governing board and the work.

### JPA

Chris Furgieuele of UC flagged a concern that JPAs require too much participation from partner entities.

### Joint Venture

Chris Furgieuele of UC was concerned that a joint venture would be perceived as a conflict of interest.

Cindy Kazanis of CDE reflected on how a joint venture might allow one agency to be the fiscal agent and allow each partner entity to have a vote. She wondered if there could be a hybrid approach among the listed options.

Patrick Perry of CSAC concurred and proposed the following: a new state entity that has a small footprint, uses a nonprofit auxiliary to maximize funding, and passes funds to a JPA or joint venture that ensures the partner entities have oversight. The partner entities could also provide funding to keep operations going if the budget line item is cut. Amy Fong of CSIS and Tim Murphy of CDT supported this type of thinking.

A second anonymous poll did not yield a strong consensus:

- New state agency: 4
- Existing agency contributing data: 3
- Existing agency not contributing data: 1
- Nonprofit auxiliary: 3
- JPA: 2
- Joint venture: 3

The group recommended that they rank the options through a survey. This could help to remove options that do not have strong support. Also, given the interest in fleshing out a hybrid option, a small group agreed to meet and bring a proposal for a vote at the July 30 workgroup meeting, made up of Patrick Perry of CSAC, Cindy Kazanis of CDE, Joy Bonaguro of GovOps, Amy Fong of CSIS, Chris Furgieuele of UC, and Barney Gomez of CCCCCO.