

BEFORE THE
CALIFORNIA CITIZENS REDISTRICTING COMMISSION

In the matter of

Meeting of the
Finance and Administration
Advisory Committee

State Capitol
Room 437
Sacramento, California

Thursday, April 7, 2011

1:10 P.M.

Reported by:
Kent Odell

APPEARANCES

Committee Members/Commissioners Present

Cynthia Dai

Michelle R. DiGuilio

Connie Galambos Malloy (Via Telephone)

Lilbert R. "Gil" Ontai

Michael Ward

Peter Yao

Staff Present

Dan Claypool, Executive Director

Kirk Miller, Chief Legal Counsel

Janeece Sargis, Administrative Assistant

Deborah Davis, Budget Officer

Marian Johnston

Lon Leach

Lisa Halterman

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P R O C E E D I N G S

COMMITTEE MEMBER DAI: Okay, are we ready? We are live and on the air. Welcome to the Finance and Administration Advisory Committee. Let the record show that we have Commissioners Yao here, in person. We have Commissioner -- Commissioner Galambos Malloy, who is a disembodied voice on the phone, as noticed.

And Commissioner Ward will be joining us shortly, he's attending our concurrent Legal Advisory Committee meeting to read a statement by Commissioner Filkins-Webber, who is not in attendance today, but he will be joining us shortly.

Connie, we thought it would be easier for one of us to chair since you can't see us.

COMMISSIONER GALAMBOS MALLOY: I appreciate that, that was very perceptive of you. I would have made the same request, myself.

COMMISSIONER DAI: Great. So, the first item on the agenda is the status of the budget, so we've got a couple of requests in. The main one that we need to hear about is the \$1 million augmentation to the Department of Finance, which we've been eagerly awaiting the results.

So, Mr. Claypool, do you have an update for us on that?

EXECUTIVE DIRECTOR CLAYPOOL: I do. And we've

1 been working with Department of Finance for the last --
2 well, for the last month on this particular augmentation.
3 We had it in at the last session and we were told that it
4 was within days of being submitted. It was submitted to
5 the Capitol Office.

6 There were some questions about it. Not questions
7 regarding whether or not it will be funded, but questions
8 just regarding the structure of the spread sheet that we
9 placed the information in and, also, kind of the structure
10 of the way that they will release the funds to us.

11 So, we were anticipating that we would have
12 received the final okay before this session, but two days
13 ago received a phone call from our Department of Finance
14 kind of representative, and he told us that at that time
15 that they wanted us to once again redo our spread sheet,
16 to send it over to reflect the salary costs and so forth.

17 The main issue at this point is staff salaries.
18 And with the impending budget -- or with the possibility
19 that we won't have the budget signed in time, they were
20 wanting to know our status as exempt employees, and
21 whether or not we would fall into that category of
22 employee who was paid once the -- there was no signed
23 budget, just a pro forma thing, or not paid.

24 So, we're getting the answer to that and we're
25 going to submit it to them. But, again, everyone has said

1 it's not a matter of if, it's simply a matter of when the
2 money is released to us.

3 COMMISSIONER DAI: Well, that's certainly good
4 news. I hope for the sake of the staff that you will
5 actually be paid if there's no signed budget.

6 EXECUTIVE DIRECTOR CLAYPOOL: We're in favor of
7 that.

8 COMMISSIONER DAI: Do we know the answer to that,
9 yet, or are we seeking legal counsel on that or what?

10 EXECUTIVE DIRECTOR CLAYPOOL: We are. Well, not
11 exactly legal counsel. What we've done is we've gone back
12 to Dora Mejia, who -- of the Secretary of State, and in
13 her usual, very helpful way, she's trying to find other
14 agencies who have carried the exempt from exempt status
15 that we have. There are very few, very few employees in
16 the State that have this particular designation.

17 So, we'll find out what's happened to them in the
18 past and then they'll simply apply that to us in the
19 future.

20 COMMISSIONER DAI: Okay. So, this is non-Civil
21 Service exempt staff, basically.

22 EXECUTIVE DIRECTOR CLAYPOOL: Right.

23 COMMISSIONER DAI: Got it. Okay. Well, that's
24 good news to know, it's not a matter if, but when, and we
25 will certainly share that with the rest of the Commission.

1 Okay, so the next item on the agenda is the next
2 stage, which is the budget change proposal, where are we
3 on that?

4 EXECUTIVE DIRECTOR CLAYPOOL: Our budget change
5 proposal, we have written the actual budget change
6 proposal and we're plugging in the numbers. We need some
7 information from this Commission before we go forward with
8 it.

9 And we're now past the point where we can call it
10 a spring finance letter, we are now at the point where we
11 refer to is as the May revise letter.

12 So we will be going forward with the May revise
13 letter. But we need to know -- really, we've had this
14 conversation in the past, what does this Commission
15 envision its role being out into the next fiscal year,
16 beyond the August 15th deadline for the maps, and then what
17 role does it envision itself even beyond that?

18 And if I might give two examples, this Commission
19 has said that they would like to have an independent
20 review of its performance and of the entire process. So,
21 we would envision that as a short-term review that we
22 would do into the next fiscal year and, hopefully, have
23 complete within the fiscal year.

24 But for that, we would have to look for other
25 studies that have been done to get a comparative cost, and

1 Ms. Davis is doing that with the National Conference of
2 State Legislators, and Tim Storey. Their legislative
3 liaison, I believe, is Tim's designation.

4 And then we're also -- besides pricing that out,
5 we're trying to decide how many meetings would that entail
6 you having?

7 We're not thinking in terms of your role with --
8 with so far as litigation is concerned because that would
9 be handled under a different budget.

10 But we are thinking that if, at a minimum, you
11 would probably return at least quarterly. At a maximum
12 you might return every two months to meet with -- to see
13 how the State archiving has occurred, to work on business
14 matters such as a constitutional amendment for changes
15 that will make it much easier for the people that come
16 after you. And then, finally, to meet with whoever's
17 doing this study for you to have input.

18 Now, if we can step even further, there is a role
19 for this Commission well into -- not counting litigation,
20 which I am confident we will not have, but going forward
21 to two years out beyond that, and that is what Mr. Ancheta
22 discussed when he said that there was going to be a study
23 regarding prison populations and how they're counted
24 against the Census.

25 This Commission may wish to position itself so

1 that it can participate in that study and make a
2 contribution from California.

3 So those are -- those are things we've thought of
4 and now we really need on the short term for you to say,
5 yes, we want the study, and I already know we want that.
6 And then if you wish to also extend the life of this
7 Commission into other areas, we will start the budget for
8 the next year starting in August and September so that we
9 can start putting into place the pieces we would need to
10 have the funding for you.

11 COMMISSIONER DAI: Okay. And for the benefit of
12 the public this is -- this is because the Act actually
13 didn't specify a particular role for the Commission beyond
14 the drawing of the maps by August 15, so -- although they
15 gave us all a ten-year appointment. So, it's really up to
16 the Commission to define what role it wants to take moving
17 forward.

18 So in terms of action what -- what would you like
19 to see from the full Commission? Do we need to actually,
20 you know -- we have talked about the independent
21 evaluation before. I know that there was a question about
22 whether that was already being handled by UC Berkeley, did
23 you guys look into that some more?

24 EXECUTIVE DIRECTOR CLAYPOOL: Well, I -- yes. And
25 I know that UC Berkeley is going to do one. But now,

1 because of the contract that you have cut with Q2, it may
2 hold up their study because they're also involved on the
3 other side. So I would say, in light of that, this
4 Commission should have its own study and conduct its own
5 study.

6 And also it gives you control, if you will, over
7 the presentation, which I think will be important.

8 COMMISSIONER DAI: That's a good point. So, yeah,
9 I don't think there would be any argument about that since
10 the Commission has already discussed the desire to do
11 that.

12 In terms of returning quarterly as a body, to me,
13 I'm also thinking that there will be time required by any
14 independent evaluator to interview Commissioners, which
15 wouldn't necessarily require us to come together, but
16 would presumably require time. But I can't imagine that
17 being a huge amount of time.

18 COMMISSIONER YAO: On the budget, itself, the
19 May --

20 EXECUTIVE DIRECTOR CLAYPOOL: The May revise.

21 COMMISSIONER YAO: -- revise, the current plan is
22 still spending to a budget with the augmentation, in other
23 words, 3.6, 3.5 million dollar total budget. Is that our
24 current joint understanding or --

25 EXECUTIVE DIRECTOR CLAYPOOL: We actually, when

1 we hand out this document, will show a \$300,000 deficiency
2 that will run, and we are counting that deficiency into
3 the following budget year.

4 COMMISSIONER YAO: Okay.

5 EXECUTIVE DIRECTOR CLAYPOOL: And we have the
6 means within our budget to cover across.

7 COMMISSIONER YAO: Right, we'll get to that when
8 we --

9 EXECUTIVE DIRECTOR CLAYPOOL: Okay.

10 COMMISSIONER YAO: -- discuss the budget,
11 itself.

12 I know you want the data from us as soon as
13 possible so we can complete the May submittal, or the May
14 revision submittal. But at what point, if we were to
15 spend to the current working budget, do we need the
16 additional money?

17 EXECUTIVE DIRECTOR CLAYPOOL: Okay, that's
18 September 1st. The budget we planned right now carries us
19 two months into the next fiscal year.

20 COMMISSIONER YAO: All right. So, assuming
21 September 1st is the date, what -- when must we have --

22 COMMISSIONER DAI: A decision.

23 COMMISSIONER YAO: -- a decision, yeah.

24 EXECUTIVE DIRECTOR CLAYPOOL: Oh, by the
25 Legislature on our May revise letter or --

1 COMMISSIONER DAI: And we need to give you the
2 information so you can submit it to the --

3 EXECUTIVE DIRECTOR CLAYPOOL: Oh, okay.

4 COMMISSIONER YAO: Right.

5 COMMISSIONER DAI: Because I think what
6 Commissioner Yao is getting out is, you know, we're just
7 starting our public hearings right now and we're going to,
8 you know, be informed as the process continues and it
9 might, you know, shape our decision on what we want to be
10 in the future.

11 COMMISSIONER YAO: I guess -- I guess the way I
12 see the -- the way I see ourselves going is that as long
13 as they don't give us an answer, we're basically not going
14 to be needing that money because our current plan is to
15 approximately the three and a half million dollars.

16 EXECUTIVE DIRECTOR CLAYPOOL: Right. In order
17 for us to move forward with the May revise letter the
18 sooner we move forward, clearly the better.

19 I would say that no later than your next session
20 we would have to have any finalized plans. But I want to
21 just revisit the things that I said about where we're at
22 in the short term for just this next fiscal year. It can
23 be as simple as we just want to make sure we have the
24 means to have the independent review of our Commission on
25 that -- in that budget.

1 Longer term we don't need that answer until
2 August/September.

3 BUDGET OFFICER DAVIS: For the May revise?

4 EXECUTIVE DIRECTOR CLAYPOOL: No, for the -- for
5 you -- for the construction of the budget beyond for
6 12/13.

7 BUDGET OFFICER DAVIS: It starts July/August.

8 EXECUTIVE DIRECTOR CLAYPOOL: Okay,
9 July/August --

10 BUDGET OFFICER DAVIS: The budget for the
11 following year, for fiscal year '11-'12, it starts in
12 August.

13 COMMISSIONER GALAMBOS MALLOY: May I ask to have
14 repeated what was just said? I think it was Commissioner
15 Dai, I wasn't able to hear?

16 COMMISSIONER DAI: Actually, it was Ms. Davis.
17 So, why don't you do that in front of the mike?
18 July/August --

19 BUDGET OFFICER DAVIS: Oh.

20 EXECUTIVE DIRECTOR CLAYPOOL: The schedule for
21 that --

22 BUDGET OFFICER DAVIS: The schedule for the next
23 budget process, for fiscal year '11-'12 starts about
24 August of this year, so that's when we're going to start
25 the budget preparation and we will need to start a budget

1 change proposal process beyond the May revise. The May
2 revise is for this coming fiscal year that starts July 1.

3 MS. JOHNSTON: That's '11-'12, so it would be
4 for '12-'13?

5 BUDGET OFFICER DAVIS: Yes.

6 COMMISSIONER DAI: Oh, okay.

7 COMMISSIONER YAO: Now, my previous
8 understanding and a very high likelihood that I'm wrong,
9 but the -- the previous understanding of the May revise,
10 or whatever term now we previously called it, was to be
11 able to do some of the things that the two and a half
12 million dollars, plus the augmentation limited us from
13 doing.

14 BUDGET OFFICER DAVIS: Correct. Correct.

15 COMMISSIONER YAO: So I think in order to do
16 some of those things ahead of releasing the map, we
17 need -- we certainly would like to get an idea as to
18 whether we're going to be funded for that or not. If
19 we're to continue our path of living to the -- let me just
20 say, three and a half million dollar budget, then
21 basically we're essentially giving up on doing any of the
22 other things that we think would be appropriate to do, but
23 we're not going to do it because of lack of money.

24 EXECUTIVE DIRECTOR CLAYPOOL: The plan that
25 we've submitted to Department of Finance for the

1 augmentation absolutely covers all of our functions
2 through August 31st. So, it covers the mandatory
3 functions. It will cover all contracts, all employees --
4 all employee salaries, Commissioner per diems, and
5 Commissioner travel. It covers, it's an all-inclusive
6 package.

7 COMMISSIONER YAO: Okay. Case in point is let's
8 say we find that we need additional meetings after the
9 draft release, after the first cut, and on and on, we just
10 have to hit, just as an example, another ten cities.
11 Okay. So, clearly, the current budget won't cover that
12 and, clearly, that money, is that going to be just an
13 overrun on the existing budget or is that going to be --
14 are we attempting to basically include that as part of the
15 May revise?

16 EXECUTIVE DIRECTOR CLAYPOOL: Well, if we -- if
17 we go to ten cities, then we start stripping out other
18 parts of our budget to cover it. So, we'll --

19 BUDGET OFFICER DAVIS: We can't afford that.

20 EXECUTIVE DIRECTOR CLAYPOOL: So we can't afford
21 another ten cities, but what we can afford to do is to
22 cancel our communications budget. If we can't afford to,
23 we can possibly restructure a portion of our contract with
24 one of our contractors.

25 I mean we -- we can maneuver within the amount

1 of money that we have, but that's all.

2 COMMISSIONER YAO: Okay. All right, so our drop
3 dead day in terms of having all the numbers to you, so
4 that you can submit the package, so that we can get funded
5 on 1st of August is --

6 COMMISSIONER DAI: September 1st.

7 COMMISSIONER YAO: No.

8 COMMISSIONER DAI: To get funded on September
9 1st, you mean?

10 COMMISSIONER YAO: The latest number I heard
11 from Ms. Davis was 1st of August.

12 EXECUTIVE DIRECTOR CLAYPOOL: Okay. So we have
13 three -- let me clarify, we have three things going on.
14 The drop dead date to give us the information we need for
15 the May revise letter, so that we can be funded from
16 September 1st on --

17 COMMISSIONER DAI: Correct.

18 EXECUTIVE DIRECTOR CLAYPOOL: -- is the next
19 session.

20 COMMISSIONER DAI: And the next session you're
21 defining as?

22 EXECUTIVE DIRECTOR CLAYPOOL: Long Beach.

23 COMMISSIONER DAI: Long Beach, okay.

24 EXECUTIVE DIRECTOR CLAYPOOL: Okay. So, we
25 would need that information then to get the money through

1 the end of the fiscal year.

2 COMMISSIONER YAO: All right. So, clearly,
3 between now and the completion of the next session we need
4 to have an item on the agenda to decide what are we going
5 to do when we grow up and on and on, right?

6 COMMISSIONER DAI: Uh-hum. And we can certainly
7 spend some time today discussing it, after we look at the
8 budget.

9 COMMISSIONER YAO: Right. Well, it clearly is
10 not the highest priority, right before the public meeting,
11 but it certainly is getting up there because of the time
12 schedule.

13 COMMISSIONER DAI: Uh-hum.

14 COMMISSIONER YAO: Okay, thank you.

15 COMMISSIONER DAI: Commissioner Galambos Malloy,
16 do you have any questions?

17 COMMISSIONER GALAMBOS MALLOY: No. I appreciate
18 the recap of the dates. My thought on this -- on
19 regarding just the longer-term role of the Commission, and
20 I guess I'm looping back to how the conversation initially
21 opened up, is that it may be useful to pose this as a
22 discussion or informational item when we report back and
23 allow Commissioners a chance to, if they have immediate
24 perspectives on it to share that, but also just give them
25 a chance to really mull it over between now and the Long

1 Beach meeting. I do think it's a pretty -- the question
2 has large implications for the role of the Commission
3 moving forward, and so I don't think that it's something
4 we're going to get to an action point on in any one
5 session, but perhaps over two.

6 COMMISSIONER DAI: I agree. I think that in our
7 report back, which I'm hoping somebody else on the
8 Committee will volunteer for, that we put that up as an
9 item for the rest of the Commission to consider and
10 present this information to them.

11 EXECUTIVE DIRECTOR CLAYPOOL: Well, if I might,
12 just the only other thing I'd like to just add to the
13 discussion is that we're going to have the May revise
14 letter pretty much done by the time this next session
15 comes about.

16 I think that it's sufficient for us to know that
17 you absolutely will want the review, and that's the one
18 that would occur in the next fiscal year.

19 So, we're going to be working forward so that we
20 can put it in very quickly after that.

21 COMMISSIONER DAI: I think that's a reasonable
22 assumption, I think that the Commission had already
23 expressed an interest in doing that, we were just trying
24 to figure out the best way to do it so --

25 EXECUTIVE DIRECTOR CLAYPOOL: And then the only

1 other thing I would ask of this advisory committee is if
2 there were one of you that we could work through on this
3 particular issue as a lead, so that we could have it
4 structured to the point where if -- if you and the next
5 chair and vice-chair were happy with the product, that we
6 could just move it forward in the interim and still have
7 the discussion about where we were going in years past
8 later.

9 COMMISSIONER DAI: Okay. So this would
10 basically be for the next fiscal year that --

11 EXECUTIVE DIRECTOR CLAYPOOL: Exactly.

12 COMMISSIONER DAI: Okay. Yeah, I think
13 whoever's the lead from this meeting on can work with you
14 on that, so we can decide that before we leave today.

15 Okay, great. So I guess we would like to look
16 at some actual numbers, now, so if we could pass those --

17 EXECUTIVE DIRECTOR CLAYPOOL: And from here on
18 out we've passed into the realm of Ms. Davis and --

19 COMMISSIONER DAI: Excellent. Make sure she has
20 the mike.

21 BUDGET OFFICER DAVIS: Okay, thank you.

22 COMMISSIONER DAI: So, Connie, did you get the
23 handouts?

24 COMMISSIONER GALAMBOS MALLOY: I do, I have all
25 of the same documents that you have in Sacramento.

1 COMMISSIONER DAI: Okay. You probably got them
2 before we did.

3 BUDGET OFFICER DAVIS: Great. And those
4 documents are posted.

5 COMMISSIONER DAI: And they're all posted under
6 meeting handouts on the website.

7 BUDGET OFFICER DAVIS: Yes.

8 COMMISSIONER DAI: Excellent. Okay, take it
9 away.

10 BUDGET OFFICER DAVIS: Okay. The first spread
11 sheet that you're taking a look at, what I've attempted to
12 do, this is a document that you've seen before. And I've
13 stripped away the fiscal year 2011-12 so that we can just
14 work off of the budget that we're working with through
15 August 31st.

16 COMMISSIONER DAI: Right.

17 BUDGET OFFICER DAVIS: These categories, what
18 I've attempted to do is fine tune them as we've been
19 putting together the office, creating the tracking
20 documents, let's see --

21 COMMISSIONER DAI: Getting final numbers.

22 BUDGET OFFICER DAVIS: Getting final numbers,
23 the per diem, the travel costs. I also have a
24 presentation on that.

25 COMMISSIONER DAI: Excellent.

1 BUDGET OFFICER DAVIS: This is also the document
2 that if you go to the final page, it indicates 3.8
3 million, with that 300,000 deficiency that we spoke of a
4 few moments ago.

5 COMMISSIONER DAI: So that's the 300,000 that
6 kind of runs July and August, essentially, right?

7 BUDGET OFFICER DAVIS: Yes, uh-hum.

8 COMMISSIONER DAI: Okay. Since this is the
9 first time we're seeing it, do you mind just running
10 through it?

11 BUDGET OFFICER DAVIS: Sure. At the top, of
12 course, is the \$500,000 that we lifted off the top for the
13 Bureau of State Audits. And the Secretary of State's
14 Office also had 125,000 of their costs included.

15 Now, the various categories, including operating
16 expense and equipment, we're still developing as the costs
17 are coming in. The purchase of software, the purchase of
18 other minor purchases, but they're not in this document,
19 yet.

20 COMMISSIONER DAI: They're not in the document
21 in the sense -- this is the actual budget, though, right?

22 BUDGET OFFICER DAVIS: Well, originally, it was
23 the actual budget, but as this is my working document I've
24 been including items that are for final costs. I've got
25 the salary costs included. We have overtime included.

1 But it's --

2 COMMISSIONER YAO: Let's just -- I'm not
3 focusing so much on the number, itself, but --

4 BUDGET OFFICER DAVIS: Okay.

5 COMMISSIONER YAO: -- but in terms of trying to
6 understand what I'm looking at.

7 Just take the very -- the second highlight
8 number, operating expense and equipment subtotal, okay?

9 BUDGET OFFICER DAVIS: Yes.

10 COMMISSIONER YAO: The \$27,060.07. Is that the
11 same number that we had in our last month?

12 BUDGET OFFICER DAVIS: It was close -- it was
13 close to the same number, right.

14 It's been adjusted. There was \$1,100 up there
15 for the Bureau of State Audits and I've included that into
16 that number. At the top of the page, for the Bureau of
17 State Audits, there was a moving cost.

18 COMMISSIONER YAO: Okay. And I didn't bring it
19 with me.

20 COMMISSIONER GALAMBOS MALLOY: Commissioner Yao,
21 can I just pause to have confirmation on which document we
22 are reviewing right now?

23 COMMISSIONER DAI: Sure, it's called "projected
24 expenses Citizens Redistricting Commission" and it has two
25 columns.

1 BUDGET OFFICER DAVIS: It's a three-page spread
2 sheet.

3 COMMISSIONER GALAMBOS MALLOY: That is the one
4 document that I was not sent. I will keep an eye on the
5 website to find out when it's available.

6 COMMISSIONER DAI: It should be posted now,
7 right?

8 BUDGET OFFICER DAVIS: Yes.

9 COMMISSIONER DAI: Yeah, so just double check,
10 look on meeting handouts.

11 COMMISSIONER GALAMBOS MALLOY: Yeah, it's not up
12 there, yet, but I will keep my eye on it.

13 COMMISSIONER DAI: It's the one that looks like
14 a budget.

15 So, my question is, in the original last version
16 of the budget we saw that category was 18,000.

17 BUDGET OFFICER DAVIS: That category was
18 probably close to the 27. There was an adjustment made,
19 adding \$1,100.

20 COMMISSIONER DAI: Hmm. Well, the last copy I
21 have says 18,000, this is the one that was handed out.

22 BUDGET OFFICER DAVIS: Well, this one is the
23 working document that I used.

24 COMMISSIONER YAO: Yeah, I don't have any issue
25 in terms of working with the latest project.

1 BUDGET OFFICER DAVIS: Okay.

2 COMMISSIONER YAO: But I think to keep things
3 simple we need to reference the very last document that we
4 all saw, so that we know and understand --

5 COMMISSIONER DAI: The differences.

6 COMMISSIONER YAO: -- the changes from month to
7 month as far as budget is concerned.

8 EXECUTIVE DIRECTOR CLAYPOOL: Okay. So that I
9 kind of add some clarity to that, there have been three
10 documents between this one and that one. All three of
11 them have been changes that have been sent to the
12 Department of Finance to restructure the numbers in the
13 format that they wish to have so --

14 COMMISSIONER YAO: Right, that's fine. I'm not
15 trying to modify that particular process. But the way I
16 see it is we --

17 COMMISSIONER DAI: This is what the --

18 COMMISSIONER YAO: -- we approved the previous
19 budget that we discussed and so any changes -- and I do
20 expect changes to take place as a function of time, and
21 I'm not suggesting that we do anything different than what
22 you're doing. But we need to somehow --

23 COMMISSIONER DAI: Understand them.

24 COMMISSIONER YAO: -- start from where we left
25 off and you take us to where we are today. Okay?

1 BUDGET OFFICER DAVIS: Okay. Because constantly
2 referencing a new reference is difficult.

3 BUDGET OFFICER DAVIS: Sure.

4 COMMISSIONER YAO: Okay, thank you.

5 BUDGET OFFICER DAVIS: Okay.

6 COMMISSIONER DAI: So, I wonder if it would
7 be -- do you have a copy of this?

8 BUDGET OFFICER DAVIS: I don't have that.

9 COMMISSIONER DAI: This was the last copy that
10 the public received and that we, as a Committee, received.

11 BUDGET OFFICER DAVIS: No.

12 COMMISSIONER DAI: Let's see if I have an extra
13 one. Because I have multiple versions, too.

14 BUDGET OFFICER DAVIS: Okay.

15 COMMISSIONER DAI: But they preceded this one.

16 BUDGET OFFICER DAVIS: Okay.

17 COMMISSIONER YAO: Yeah, let's don't deal with
18 that this time around, let's just go ahead and work with
19 the copy that you provided to us.

20 BUDGET OFFICER DAVIS: Okay.

21 COMMISSIONER DAI: So, all I'm saying is that
22 the original one we had was 18,000. And for your
23 reference, it was 8,000 for phone and data lines, and
24 10,000 for office supplies for staff.

25 Now, I understand our staff has increased.

1 BUDGET OFFICER DAVIS: Yes.

2 COMMISSIONER DAI: So that could be an easy
3 explanation.

4 BUDGET OFFICER DAVIS: I'm not sure, and maybe I
5 can --

6 COMMISSIONER YAO: Let's don't reference this
7 document anymore today.

8 BUDGET OFFICER DAVIS: Some of them are actuals
9 and some of them are --

10 COMMISSIONER YAO: Otherwise --

11 COMMISSIONER DAI: Okay. So, let's assume that
12 there was a number used per person --

13 BUDGET OFFICER DAVIS: Yes.

14 COMMISSIONER DAI: -- and since the staff has
15 increased, this number has increased.

16 BUDGET OFFICER DAVIS: Right.

17 COMMISSIONER DAI: Okay, moving on.

18 BUDGET OFFICER DAVIS: Okay. The next section
19 includes our staff salaries and the overtime, but this is
20 a projected budget, but for where I've put final costs in
21 the outside column.

22 I've added a line for staff service analyst that
23 wasn't --

24 COMMISSIONER DAI: That's a new position.

25 BUDGET OFFICER DAVIS: Yes.

1 COMMISSIONER DAI: Okay. So this is probably
2 where there's our biggest difference the -- the previous
3 line item was 443,000 and now it's 620,000.

4 BUDGET OFFICER DAVIS: I'm not sure. No.

5 COMMISSIONER DAI: So I'm just trying to see
6 where the differences are.

7 BUDGET OFFICER DAVIS: This particular document,
8 besides seeing something that you've seen originally, has
9 been my working document. As expenses occur, I've been
10 trying to track them against the total dollar amount.

11 So, to give you a for instance, when we were
12 budgeted for our Blackberrys and then there was an issue
13 having to do with the wireless service, sometimes there's
14 documents -- purchase documents that have to take place,
15 that may not be part of your original format. So, I have
16 to do a give and take in order to keep the bottom line
17 clean.

18 COMMISSIONER DAI: Uh-hum.

19 BUDGET OFFICER DAVIS: And being able to do the
20 comparison, probably another example, just taking it down,
21 every time we made a change for the business meetings, or
22 the travel, or the per diem it ends up changing your
23 dollar values --

24 COMMISSIONER DAI: Amount.

25 BUDGET OFFICER DAVIS: -- in each one of those

1 categories.

2 COMMISSIONER DAI: Right. But this is staff, so
3 this should have only changed by positions.

4 BUDGET OFFICER DAVIS: Yes.

5 COMMISSIONER DAI: Unless there's been a change
6 in the assumptions.

7 BUDGET OFFICER DAVIS: Yes, I don't have that --

8 COMMISSIONER YAO: Commissioner Dai, why don't
9 we maybe -- before we get down to the details by each of
10 the subcategories, just look at the -- look at the bottom
11 line on each of the major categories and then --

12 EXECUTIVE DIRECTOR CLAYPOOL: So this particular
13 one?

14 COMMISSIONER DAI: Yeah.

15 EXECUTIVE DIRECTOR CLAYPOOL: Is combining these
16 two costs right here.

17 COMMISSIONER DAI: Okay.

18 EXECUTIVE DIRECTOR CLAYPOOL: Because this was
19 the split between the two months. I was wondering if you
20 had three columns.

21 COMMISSIONER DAI: Ah, okay. So, Mr. Claypool's
22 just explained the discrepancy here. The previous version
23 of this had July and August broken out --

24 BUDGET OFFICER DAVIS: As a second piece, right.

25 COMMISSIONER DAI: -- as a second piece, and so

1 you have them combined.

2 BUDGET OFFICER DAVIS: Yes.

3 COMMISSIONER DAI: So that makes sense because
4 we're a lot closer now.

5 BUDGET OFFICER DAVIS: Yes.

6 COMMISSIONER DAI: Great. There we go, that
7 helps.

8 Okay, so I think otherwise the numbers are
9 pretty close if we do that addition.

10 EXECUTIVE DIRECTOR CLAYPOOL: Okay.

11 COMMISSIONER DAI: Okay, let's keep going.

12 BUDGET OFFICER DAVIS: Okay. On the per diem we
13 made changes based on the number of events or meetings, so
14 we've projected out the per diem for those days.

15 COMMISSIONER DAI: Uh-hum.

16 BUDGET OFFICER DAVIS: The same with the travel.

17 COMMISSIONER DAI: Okay.

18 BUDGET OFFICER DAVIS: There shouldn't be a lot
19 of difference between those two.

20 Now, under staff travel, that should be the same
21 but for the change in the public input meetings. But I've
22 also added a line that doesn't have dollars on it because
23 we have other staff travel that wasn't part of your
24 original budget that was approved.

25 COMMISSIONER DAI: Uh-hum.

1 BUDGET OFFICER DAVIS: I haven't inputted any
2 numbers yet, but I do recognize that that's going to be a
3 cost.

4 COMMISSIONER DAI: Okay. So that doesn't have a
5 number.

6 BUDGET OFFICER DAVIS: The business and --
7 business meeting expenses, we're still working and
8 developing the contracts for things like the videographer,
9 and the stenographer.

10 COMMISSIONER DAI: Uh-hum.

11 BUDGET OFFICER DAVIS: The same for --

12 COMMISSIONER GALAMBOS MALLOY: May I ask on the
13 videography, do you have any ball park numbers that you
14 would like us to be aware of? I imagine zero is probably
15 a low number.

16 BUDGET OFFICER DAVIS: Absolutely. We're
17 working on a contract for about \$75,000 for the
18 videographer.

19 COMMISSIONER DAI: Just a note to the public
20 that we've confirmed that the spread sheet is on -- on the
21 website, under meeting handouts.

22 COMMISSIONER GALAMBOS MALLOY: I have the spread
23 sheet.

24 COMMISSIONER DAI: Excellent.

25 And you see what we meant, Connie, about the

1 extra column that was in the previous version?

2 COMMISSIONER GALAMBOS MALLOY: Uh-hum, I do.

3 COMMISSIONER DAI: Good. Okay.

4 BUDGET OFFICER DAVIS: Okay. A lot of the -- we
5 have videography split on this budget in several different
6 areas.

7 COMMISSIONER DAI: Yeah, I see that.

8 BUDGET OFFICER DAVIS: So part of my issue is
9 trying to put together a format as these contracts or
10 purchase orders, or whatever comes to fruition, but it
11 won't match up with the way this format is.

12 COMMISSIONER DAI: Right.

13 BUDGET OFFICER DAVIS: As an aside, there's also
14 an issue -- when we actually go pay the bills through the
15 Department of General Services, the format that I get is
16 not this format.

17 COMMISSIONER DAI: Uh-hum.

18 BUDGET OFFICER DAVIS: So we're trying to work
19 through trying to figure out a format that works for the
20 Commission, as well as the actualities of how these
21 expenditures are being either put together as purchase
22 documents or how they're paid.

23 COMMISSIONER DAI: So, in a normal business
24 budget there are codes that would assign.

25 BUDGET OFFICER DAVIS: Yes. In a normal budget,

1 other State budgets, there's a format, general expense,
2 out-of-state travel, in-state travel, equipment contracts,
3 internal/external contracts, and this is not the format
4 for which we've started this process with.

5 COMMISSIONER DAI: So --

6 BUDGET OFFICER DAVIS: It has all of the same
7 pieces, but they're not in the same format.

8 COMMISSIONER DAI: And is that -- are these the
9 changes that Department of Finance has asked for?

10 BUDGET OFFICER DAVIS: No, they're actually
11 trying to work off of the document that we've been working
12 with. But in actuality, once we start the process for the
13 next year, the format has to be more in line with the way
14 the Governor's budget presentation shows all department
15 budgets.

16 So part of the -- part of the rub here is trying
17 to figure out how to communicate with you, based on what
18 you've already seen, and what we're actually working with
19 as we're trying to make this happen.

20 COMMISSIONER DAI: Well, I, personally, don't
21 think we have any objection to you putting it in a format
22 that works for and the Department of Finance --

23 COMMISSIONER YAO: Right.

24 COMMISSIONER DAI: -- as long as the number at
25 the end comes out correctly.

1 BUDGET OFFICER DAVIS: Right.

2 COMMISSIONER DAI: And as long as we understand
3 why they've changed, I don't think that we're wedded to
4 this format at all.

5 COMMISSIONER YAO: Yeah, I think there are only
6 three of us that are looking at these things in detail. I
7 would suggest that make a switch over to whatever format
8 that you're working with, do it in one month.

9 BUDGET OFFICER DAVIS: Right.

10 COMMISSIONER YAO: And then from that point on
11 we'll work to your format, okay?

12 BUDGET OFFICER DAVIS: Okay. Well, I really do
13 have to share that part of the issue here is in the last
14 30 days, working through each one of these line items in
15 order for me to be able to articulate what's going on with
16 the budget, in the last 30 days we've also put into place
17 processes that allows me to track the contracts that
18 people are putting together, the purchase documents, the
19 per diem requests, all that has been in process while I've
20 tried to stay married to something that it looks like --

21 COMMISSIONER DAI: Doesn't work for you?

22 BUDGET OFFICER DAVIS: No, it doesn't work for
23 me, but it does work from the stand point of me trying to
24 maintain the integrity of how much money I'm going to have
25 when it falls off the bottom.

1 So I apologize for the format. We did make an
2 attempt to do a side-by-side comparison, but those
3 variations are -- the variance is so great between the
4 line items, we would never get through that process.

5 COMMISSIONER DI GIULIO: Commissioner Dai?

6 COMMISSIONER DAI: Commissioner DiGuilio?

7 COMMISSIONER DI GIULIO: I would just -- I'm
8 just going to pipe in real quickly here because you're
9 right, probably I'm not one of the three that's looking at
10 this in detail, like you are.

11 But I've found that the way it's been presented
12 has been very easy for the rest of us to follow. But
13 trying to merge that with the necessity for staff to do
14 what they need to maybe I would just like to request, if
15 there's a possibility, if this format has to be changed
16 and put into one that's more friendly with whomever, the
17 government, if we could at least have an idea if this
18 section gets merged into one line we'll know what you're
19 process was for merging areas of our budget into what you
20 need for the government. That way it will be easier for
21 us to understand that you've combined in these areas and
22 that's being reflected in this number. I think whatever's
23 easier for you to move forward, but just with the
24 understanding that would -- a guide, a legend for us.

25 COMMISSIONER DAI: Yeah, when you do the

1 translation, just explain the translation.

2 For example, you know, to me it doesn't
3 necessarily make sense that we have videography split up
4 in three categories. I mean, if we have a \$75,000
5 videography contract that's all I need to know, that we're
6 going to be covered for videography.

7 So some of these, you know, whatever format
8 makes the most sense to limit the amount of work you have
9 to do.

10 EXECUTIVE DIRECTOR CLAYPOOL: If I might, this
11 format that you have right now is the one that Finance is
12 working with. It's the one that they've presented to the
13 Legislature and it's the one the Legislature's making
14 changes on.

15 The reason we had it divided up between three
16 different venues was because we said for this particular
17 activity we're going to have videography, for this one
18 we're also going to have videography. And it allowed us
19 to show them why -- you know, when they say give us detail
20 on videography well, this -- the whole 75 splits between a
21 lot of different things.

22 When Deborah is talking about the format that we
23 will ultimately be moving to, when we build a budget we'll
24 start building it into the budget formats that are
25 required by the Department of Finance for regular, ongoing

1 institutions, which we were never when we started this.

2 So I don't know that you're going to see a lot
3 of change to this, other than it's going to be the same --
4 every time Finance says, well, merge these two and merge
5 these two because it makes more sense to us, we just do it
6 so that we can get the money.

7 COMMISSIONER DAI: Right.

8 BUDGET OFFICER DAVIS: You know, the other part
9 that makes this such a creative document is that on one
10 end it's a budget, on the other end it's tracking the
11 expenditures. So when I end up with final costs or if
12 there's a purchase that's made, that money has to be taken
13 from some other line item and in order to make it right.

14 For instance, with the VRA, and the line-drawer,
15 and the shift between the estimates that we initially
16 made, that was a pretty chunky piece.

17 But on the other things, like wireless cards, or
18 maybe we need some software and the purchase has to be
19 made and it has to be made now, I'm making an attempt to
20 keep track of how much money we are spending, but these
21 line items, grouped the way they are, a lot of them are
22 estimates.

23 COMMISSIONER DAI: Sure, and we knew that when
24 we --

25 BUDGET OFFICER DAVIS: Okay.

1 COMMISSIONER DAI: You know, it's really a pro
2 forma budget because we had no idea and we had to submit a
3 budget before we had bids, and all that. So I think that,
4 certainly, this Committee understands that and I think the
5 Commission's aware of it as well.

6 But just to reiterate Commissioner Yao's point,
7 though, I mean what -- whatever makes this easier so that
8 as long as we can make sense of it and understand -- we
9 know we're moving money around and to some degree, you
10 know, it doesn't matter, right. I mean, as long as we get
11 the final number approved and we come in under that, we're
12 good.

13 So we know we're making tradeoffs every time,
14 but we just want to understand how that's affecting other
15 parts of the budget.

16 BUDGET OFFICER DAVIS: And what my goal is, for
17 those pieces that are really large or sensitive areas, my
18 goal is to be able to point that out to you as I'm making
19 this change. As you continue on to page 3, to give you
20 another example of what we're talking about, under
21 contracts you'll see the line that says the line-drawers,
22 and you'll also see the VRA and some of the pieces. This
23 is how I'm attempting to keep track every time we make a
24 small change.

25 COMMISSIONER DAI: Yeah.

1 BUDGET OFFICER DAVIS: Even the service orders,
2 there's some staff -- on those \$5,000 contracts, I've
3 tried to group them all together and pick up the final
4 costs on them, but still keeping the bottom line within
5 the 3.8 or 3.5 that we're working with.

6 COMMISSIONER DAI: So if I understand your code
7 on this, final cost means it's done, it's spent, it's
8 actual.

9 BUDGET OFFICER DAVIS: It's actual.

10 COMMISSIONER DAI: And then most of these other
11 numbers are projected.

12 BUDGET OFFICER DAVIS: They're still projected,
13 correct.

14 COMMISSIONER DAI: Okay.

15 BUDGET OFFICER DAVIS: And, yes, let's see --
16 and that's -- that's basically where we are.

17 COMMISSIONER DAI: Okay.

18 COMMISSIONER YAO: All right. So, in your own
19 work, there are \$300,000 bottom line differences between
20 the last plan and this plan, or the last budget and this
21 budget. What are the three top drivers?

22 BUDGET OFFICER DAVIS: Of 300,000?

23 COMMISSIONER YAO: Previously, we had a \$3.5
24 million budget, right?

25 BUDGET OFFICER DAVIS: Uh-hum.

1 COMMISSIONER YAO: And this time we're looking
2 at a \$3.8 million budget, so the discrepancy -- or the
3 difference is \$300,000.

4 EXECUTIVE DIRECTOR CLAYPOOL: In the last budget
5 we had deferred our contracts into September and said that
6 we were relying on getting a budget in time to catch up
7 with paying those.

8 In this particular one we've moved them in
9 because Department of Finance said you cannot -- you
10 cannot account for them that way. You have to account for
11 them so that you have a plan to pay for them.

12 And at this point it showed as a deficiency, but
13 we have a way of moving to that. As we get towards the
14 end, we will have a methodology for moving to those funds
15 and to pay those contracts.

16 COMMISSIONER YAO: All right. So there's
17 actually no growth in the budget, it's just a matter of
18 moving the money from next year back to this year because
19 of the --

20 EXECUTIVE DIRECTOR CLAYPOOL: In the one that
21 you're looking at, if you look at the contracts for the
22 line-drawer -- actually, all the contracts, you're going
23 to see a statement that says deferred at the very end,
24 where we were deferring those pieces into September.
25 They've been moved back in, that's what drove the number.

1 COMMISSIONER YAO: Okay, good. Thank you.

2 COMMISSIONER DAI: So, basically, outside of
3 some of the changes we had to make last time, for example
4 the personal services agreement for Gibson Dunn, and some
5 of the changes reflected in the meeting schedule, there
6 are not any significant changes in this budget?

7 EXECUTIVE DIRECTOR CLAYPOOL: No. But it's
8 important to know, particularly with the Gibson Dunn, we
9 expect to recapture that \$5,000 from their contract.

10 COMMISSIONER DAI: Right.

11 EXECUTIVE DIRECTOR CLAYPOOL: Otherwise it would
12 be an illegal contract. So, there's an expectation that
13 we will -- that we will return that fund from there.

14 And we are confident -- that personal services
15 contract's been a very useful tool to this Commission.

16 COMMISSIONER DAI: Yes.

17 EXECUTIVE DIRECTOR CLAYPOOL: We use it quite
18 frequently. So, we continue to use it in that manner as
19 we move towards trying to, once again, get delegated
20 authority and to get our Cal Cards.

21 BUDGET OFFICER DAVIS: And that VRA, I actually
22 have split that total contract dollar between the smaller
23 piece, the 5,000 or 4,999 --

24 COMMISSIONER DAI: And the 300 K.

25 BUDGET OFFICER DAVIS: Yes.

1 COMMISSIONER DAI: Okay. And when it's a
2 contract amount it, of course, means that if we spend that
3 much, it's just --

4 BUDGET OFFICER DAVIS: Correct.

5 COMMISSIONER DAI: -- it's an authorized amount.

6 BUDGET OFFICER DAVIS: Correct. Except for
7 where you see the final -- oh, you're speaking of the
8 contract amount. Correct.

9 COMMISSIONER DAI: Uh-hum.

10 BUDGET OFFICER DAVIS: Not to exceed.

11 COMMISSIONER DAI: Right, got it.

12 BUDGET OFFICER DAVIS: And the pending means
13 that we haven't -- that I haven't yet seen the contract
14 for it, but I know that I have money earmarked.

15 COMMISSIONER DAI: For that.

16 BUDGET OFFICER DAVIS: Yes.

17 COMMISSIONER DAI: Okay. All right.

18 COMMISSIONER YAO: Can we move to this one now?

19 BUDGET OFFICER DAVIS: Yes.

20 COMMISSIONER YAO: Okay.

21 COMMISSIONER DAI: Commissioner Galambos Malloy,
22 do you have any questions on that document that you now
23 have in front of you?

24 COMMISSIONER GALAMBOS MALLOY: No, thank you.

25 COMMISSIONER DAI: Okay. Why don't we move on

1 to what else you have for us.

2 BUDGET OFFICER DAVIS: Okay.

3 COMMISSIONER YAO: Let's move to this color
4 chart.

5 BUDGET OFFICER DAVIS: This is a color chart
6 reflecting the expenditures for the Commission through
7 March 2011. Here, as a budget, I'm showing 3.5 instead of
8 3.8. And I've made an attempt to break out the budget for
9 some of the major categories. The salaries, and then on
10 the right side is the expenditures that we've actually
11 incurred up through March 31st.

12 COMMISSIONER DAI: Okay.

13 COMMISSIONER YAO: So, Ms. Davis, so the next
14 month that budget is going to be 3.8, right?

15 BUDGET OFFICER DAVIS: Yes.

16 COMMISSIONER YAO: Are you still going to keep
17 it as 3.5?

18 BUDGET OFFICER DAVIS: Yes, I'm going to change
19 it to 3.8, yes.

20 COMMISSIONER YAO: Change it to 3.8, okay.

21 COMMISSIONER DAI: Okay.

22 BUDGET OFFICER DAVIS: Now, the creative part
23 that I would like to point out is that with the State
24 process contracted fiscal services, at General Services is
25 the one that actually does our paying of the bills and

1 they generate reports.

2 They generate reports for March maybe ten days
3 into the following month, which today we're on the 7th.

4 COMMISSIONER DAI: Right.

5 BUDGET OFFICER DAVIS: So I had to take actuals
6 that I had and actually gather up as much as I could find
7 in order to give you as clear a projection that I could
8 for the March.

9 But next month I will have true March --

10 COMMISSIONER DAI: Actual actuals.

11 BUDGET OFFICER DAVIS: -- but then I'm going to
12 have to add for the next month.

13 COMMISSIONER DAI: So there's always a ten-day
14 lag, basically.

15 BUDGET OFFICER DAVIS: Yes.

16 COMMISSIONER DAI: And that, of course --

17 BUDGET OFFICER DAVIS: And it doesn't always
18 coincide with our meetings.

19 COMMISSIONER DAI: Right.

20 BUDGET OFFICER DAVIS: So I do my best to make
21 sure that you have an accurate picture of the projections.

22 COMMISSIONER YAO: This question's really for
23 Mr. Claypool. Under the item "paid overtime" it looks
24 like we spent pretty close to --

25 COMMISSIONER DAI: Twenty thousand.

1 COMMISSIONER YAO: -- 20 of \$24,000 budgeted.

2 EXECUTIVE DIRECTOR CLAYPOOL: Yeah.

3 COMMISSIONER YAO: Is that an issue?

4 EXECUTIVE DIRECTOR CLAYPOOL: Absolutely. You
5 bet, we are going to -- if you can -- if I can give you --

6 COMMISSIONER YAO: Oh, you have more charts.

7 EXECUTIVE DIRECTOR CLAYPOOL: We came today to
8 be a little more prepared.

9 COMMISSIONER DAI: I like it.

10 EXECUTIVE DIRECTOR CLAYPOOL: Okay. So paid
11 overtime. We originally looked at our overtime needs, you
12 know, just our best estimate, we weren't sure what the
13 load was going to be for staff. We try as much as we can,
14 by the green that you see, to lay it off onto E employees,
15 who get no compensation for it.

16 Nevertheless, we are running a lot higher
17 overtime than we had anticipated. A lot of that has had
18 to do with the unanticipated removal of CCP, because those
19 original overtime hours were projected before CCP was
20 taken out of the equation.

21 COMMISSIONER DAI: Right.

22 EXECUTIVE DIRECTOR CLAYPOOL: We will
23 ultimately, we talk about this shifting of dollars
24 between -- between areas. We're going to have to shift
25 dollars between some areas to cover future overtime needs

1 because your staff, when they're traveling with you out in
2 the field, and any time this Commission comes to town run
3 us into 12- to 14-hour days.

4 So it's reality and we have areas where we look
5 at particularly venue costs where, thankfully, Janeece, we
6 might call her Saint Janeece, has managed to bring us to a
7 point where we have money that we can shift across from
8 there to cover overtime.

9 But that is, again, always living within the
10 budget we have because we're not going to get any more
11 until September 1st.

12 COMMISSIONER YAO: All right, so --

13 COMMISSIONER GALAMBOS MALLOY: And --

14 COMMISSIONER YAO: Go ahead, Connie.

15 COMMISSIONER DAI: Go ahead.

16 COMMISSIONER GALAMBOS MALLOY: Mr. Claypool, I
17 had wondered, at a previous meeting, when we were talking
18 about overtime issues, you said that your assessment was
19 that even anticipating that we would be spending a
20 significant amount on overtime that it was a better
21 solution to the staffing issues than -- than bringing on
22 new staff.

23 Now, we did agree to the additional AGPA
24 position last time. I'm wondering, based on the fact we
25 have invested more in overtime than you had anticipated,

1 would you make any changes to the current staffing
2 structure?

3 EXECUTIVE DIRECTOR CLAYPOOL: Actually,
4 Commissioner Yao and I had had a conversation about that
5 at the last one. We are -- we're at that point,
6 Commissioner Galambos Malloy, where we are probably better
7 staying with the staffing structure we have and running
8 overtime because we don't run retirement costs with it.
9 And so -- and we are getting to a point -- a lot of this
10 overtime that you see right now was driven by contracts,
11 driven by just the sheer load of the things that we've
12 done in the last month that we're just about finished
13 with.

14 And now we're going to start moving into where
15 your overtime is going to go way up but then, of course,
16 you don't get paid for it, either.

17 So, we're really -- we're going to start moving
18 into a period of time where we will have overtime, but I
19 don't know that it's necessarily resolved with additional
20 people.

21 Where we have added some additional staff and
22 will continue to do so are with personal services
23 contracts. For instance we have our current intern,
24 Kermit Torres, who will be working with us for about
25 another three weeks, and then that contract is up, and

1 then we will have another person that will start filling
2 in here very shortly behind Kermit to pick up the load.

3 Those contracts work well for us because it
4 gives a start and stop date without, again, the component
5 that we would have to pay for retirement benefits and so
6 forth.

7 So, we have it -- so to be -- not to be coy, the
8 answer to your question is yes and no. No, we don't need
9 any additional staff beyond the staff that we're bringing
10 on with the personal services contracts.

11 COMMISSIONER DAI: Okay.

12 COMMISSIONER GALAMBOS MALLOY: Thank you.

13 COMMISSIONER DAI: But in summary, you feel that
14 there's enough built in to the current budget that we can
15 cover anticipated overruns in certain categories with
16 anticipated under-runs in other categories?

17 BUDGET OFFICER DAVIS: Yes. The short answer to
18 that is yes. But the other part of that and part of what
19 we're doing back at the office is doing projects by month
20 for all the personal services, trying to come up with a
21 go-forward number. Even with the overtime it's kind of
22 hard to project.

23 And if we were projecting based on what we've
24 already spent on a month-by-month basis, it would probably
25 cause a cost overrun.

1 COMMISSIONER DAI: Right.

2 BUDGET OFFICER DAVIS: But that's part of what
3 we're trying to put together and we will have something at
4 the next meeting where you can see the numbers that are on
5 the first chart that you looked at for staff benefits, so
6 that we can actually see.

7 COMMISSIONER YAO: All right. I think we've
8 spent enough time on the overtime issue already. It's a
9 roughly small number by comparison to the total budget
10 so --

11 COMMISSIONER DAI: Yeah, and I think that --

12 COMMISSIONER YAO: And I think staff has a good
13 handle on it, so I don't think we need to dwell on it much
14 further.

15 What are some of the budget items that cause you
16 to lose sleep?

17 BUDGET OFFICER DAVIS: Outside of the whole
18 budget?

19 (Laughter)

20 BUDGET OFFICER DAVIS: Well, I have to tell you,
21 Commissioner Yao, probably the one thing that causes me to
22 lose sleep is to be able to set up the organization, to be
23 able to track the documents while they're making bread.
24 The process is going on while I'm trying to scoop up the
25 costs.

1 So as I have to take a snapshot in time of
2 what's going on, that's probably what causes the most
3 problem.

4 We did bring with us, in the audience, our
5 newest member, who's Lisa Halterman. Can you stand up for
6 a second?

7 COMMISSIONER DAI: Hello, welcome.

8 BUDGET OFFICER DAVIS: She's been with us about
9 a week and she's the one who has created all of these
10 wonderful graphs and charts to help display the
11 information that we do have. So, it's been a big help to
12 have someone to be able to do the crunching of the
13 numbers, so to speak, in order to have something for me to
14 be able to analyze or speak to.

15 EXECUTIVE DIRECTOR CLAYPOOL: And I'd like to
16 say that I have no trouble with the numbers at all, and
17 I'll tell you why. We have planned this fairly well, even
18 though it isn't in the format that the State likes to see
19 it, and this Commission is well-disciplined in what
20 they're doing. We need a few things from you, that we'll
21 list at the very end, but they're mainly perfunctory.

22 But I'm very comfortable with this budget and
23 I'm very comfortable we'll get to August 31st and that
24 we'll get those maps in. And so what we do beyond that I
25 don't know about comfort.

1 But I have a very, very, good budget officer and
2 so I've learned to let her worry for me.

3 COMMISSIONER DAI: Excellent. I see she's
4 gained some white hair since our last meeting.

5 COMMISSIONER YAO: So, Mr. Claypool, you're
6 sleeping well, I trust.

7 (Laughter)

8 EXECUTIVE DIRECTOR CLAYPOOL: I'm sleeping well
9 on the budget.

10 And we also will have to confirm Lisa, because
11 we have -- rather than using her in her original capacity,
12 we were going to move her into an SSA position. So,
13 that's something we would like you to take under
14 consideration.

15 COMMISSIONER DAI: We'll take that up under
16 staffing and personnel.

17 So, let's go on to the next handout, which is on
18 the Commissioners' per diem. This Committee's been asking
19 for a while to take a look at our per diem because we did
20 not want to put the staff in the position of policing the
21 Commissioners. We feel that the Commissioners should
22 police ourselves here.

23 So, please let us know what we're looking at
24 here?

25 BUDGET OFFICER DAVIS: Okay. If you look at the

1 budget line for the per diem, the 475, as well as the
2 travel, the 484, those are numbers that are tied to the
3 spread sheets that we discussed earlier.

4 COMMISSIONER DAI: Okay.

5 BUDGET OFFICER DAVIS: That's the total budget
6 after reconsideration of all the meetings and the
7 different things that would drive your per diem and
8 travel.

9 We also have the categories that are part of
10 that budget, broken down between the business meetings,
11 this is on the per diem, the media travel, public input
12 meetings, which has not --

13 COMMISSIONER DAI: Happened yet.

14 BUDGET OFFICER DAVIS: -- which will start this
15 week, weekend. So, these are the true dollars, the
16 expenditures so far for per diem is 90,000 and it's
17 primarily in the business meetings.

18 And then we have Commissioner prep that makes up
19 the lion's share of that 90,000.

20 COMMISSIONER DAI: Okay. So, for the benefit of
21 the public, we had asked Ms. Davis to provide us with a
22 minimum, a maximum, and average so we can get a look at
23 the range.

24 We would expect to see some variance among
25 Commissioners because, certainly, those of us who have

1 served as chair know that it's a lot more work when we're
2 serving as chair, and then there are certain Commissioners
3 that have had special projects, as well. And certain of
4 us have had extra duties dealing with the media,
5 particularly the ethnic media.

6 For the business meetings the zero, I'm
7 assuming, is because certain Commissioners have not
8 actually turned in their per diem reports. Would that be
9 a correct assumption?

10 BUDGET OFFICER DAVIS: Yes.

11 COMMISSIONER DAI: So I think one of the
12 messages we need to take back to the full body is that
13 people need to turn in their per diem.

14 BUDGET OFFICER DAVIS: Timely, correct.

15 COMMISSIONER DAI: Timely, because we are
16 already in April. And so if you have not turned one in,
17 you are very late.

18 COMMISSIONER YAO: Can you refresh my memory
19 what the Commissioner prep is? Is that the advisory
20 committee --

21 COMMISSIONER DAI: That's just the non-committee
22 meetings, so preparation.

23 COMMISSIONER YAO: Okay.

24 COMMISSIONER DAI: This would be reading that
25 redistricting law book, you know, reviewing the policy

1 manual, which has already been changed. I assume it's
2 everything else, right?

3 EXECUTIVE DIRECTOR CLAYPOOL: It is. And it was
4 also the -- on Commissioner Raya's motion, and your
5 second, a six-hour incremental policy, so it carries that.
6 And we will be asking for a little more detail on that,
7 just so we can put it into policy and asking, also, for
8 some coding so that we can put the per diems in the right
9 place, particularly for travel and for activities.

10 COMMISSIONER DAI: Yeah, I understand that some
11 Commissioners have been less than detailed in their
12 reports, so it was hard to figure out how they were
13 spending their time. So I think -- I heard there were
14 some descriptions for just Commission time, which probably
15 is not particularly helpful in terms of coding.

16 So I think one of the recommendations we will
17 take back to the full Commission is to be specific and to
18 remind all the Commissioners that -- that everyone should
19 expect that this will be part of a Public Records request.
20 So, how we spend our time is open and available to the
21 public and that you need to be specific if you're going to
22 claim time.

23 BUDGET OFFICER DAVIS: There is one point under
24 the per diem where I have a column that says "outreach"
25 that has no budget. One of the things that we've been

1 doing with the per diem is doing a cross-check with the
2 Communications Director on any media type things that he
3 may have sanctioned or requested. To the extent that it
4 falls under the media, then we'll place it there.

5 But if not, we've created another category
6 called "outreach." And it's one of the things that we ask
7 that you let us know, because that's burning the budget.

8 COMMISSIONER DAI: Okay. So, let me understand.
9 For example, I just spent a day with the Chinese language
10 media, and I will indicate so in my per diem report --

11 BUDGET OFFICER DAVIS: Correct.

12 COMMISSIONER DAI: -- but that you're saying
13 that would be counted under --

14 BUDGET OFFICER DAVIS: Outreach.

15 COMMISSIONER DAI: It would be counted under
16 outreach.

17 EXECUTIVE DIRECTOR CLAYPOOL: Could I ask the
18 circumstance under which you had that appointment? Was it
19 something that you worked out with Rob?

20 COMMISSIONER DAI: Yes.

21 EXECUTIVE DIRECTOR CLAYPOOL: Oh, okay, so then,
22 no, that would be under the media. We have some charges
23 for media events where Rob has no recollection of making
24 the connection between the Commissioner and the media
25 event. It doesn't mean that the Commissioner didn't --

1 that the media event didn't exist, it just means that we
2 didn't know and so it's an unknown to us.

3 So what we would ask is if a Commissioner gets a
4 great opportunity to promote this Commission that they
5 absolutely do it, but just let us know so that we can
6 count it against the budget and it doesn't come in later
7 on and we're surprised by it, that's all.

8 COMMISSIONER DAI: Right. Actually, the
9 Commission has been counseled before to make sure to let
10 our Director of Communications know about any of those,
11 but we would be happy to remind them again.

12 So I don't see media, I see communications
13 media, travel. Is that the category you're talking about?

14 BUDGET OFFICER DAVIS: Yes.

15 COMMISSIONER DAI: Okay. And this is per month,
16 these numbers?

17 BUDGET OFFICER DAVIS: No, these numbers are
18 total.

19 COMMISSIONER DAI: Total.

20 BUDGET OFFICER DAVIS: Total for --

21 COMMISSIONER DAI: So this is through March, for
22 whatever you've received.

23 BUDGET OFFICER DAVIS: Well, whatever I've
24 received, correct.

25 COMMISSIONER DAI: Okay.

1 COMMISSIONER DI GIULIO: Commissioner Dai?

2 COMMISSIONER DAI: Yes.

3 COMMISSIONER GALAMBOS MALLOY: I have two
4 questions. One is to just clarify for those Commissioners
5 who were in the first eight, that put in hours in November
6 and December, that's not tracked anywhere in these
7 calculations, is that correct?

8 BUDGET OFFICER DAVIS: I do have some. There is
9 some part of my reconciliation that's taken place between
10 what happened when the Secretary of State had our budget.
11 There's only a couple of Commissioners that I'm showing
12 costs for November or December. And I'm sure there's
13 more, but they're not in the numbers.

14 COMMISSIONER DAI: Okay.

15 COMMISSIONER GALAMBOS MALLOY: And then my
16 second question is for my several colleagues on the
17 Committee, should we consider having a statute of
18 limitations by which you need to turn in your per diem
19 forms?

20 And the reason I ask this is it has come to my
21 attention that there are Commissioners who just have not
22 turned in per diem forms. Maybe they don't intend to.
23 But if they do intend to, it would come potentially late
24 in the game and trying to be able to have Ms. Davis have
25 the full information that she can to give us those

1 snapshots, it seems like it's not in our best interest to
2 have Commissioners waiting until August to turn in eight
3 months' worth of per diem forms.

4 COMMISSIONER DAI: I absolutely --

5 COMMISSIONER GALAMBOS MALLOY: And so I wondered
6 if we wanted to say, you know --

7 COMMISSIONER DAI: I think it's --

8 COMMISSIONER GALAMBOS MALLOY: -- give them a
9 month after the close of any given month that you would
10 need to turn in your per diem forms.

11 COMMISSIONER DAI: Is 30 days enough?

12 BUDGET OFFICER DAVIS: Thirty days is enough.
13 But as far as the statute of limitations, and I'm not sure
14 that that's a term that we're using, but for sure the
15 Government Code and the SAM dictates that we have to pay.
16 But we just need that information so that we can give you
17 accurate --

18 COMMISSIONER DAI: You will turn it in on pain
19 of public thrashing by your fellow Commissioners.

20 (Laughter)

21 COMMISSIONER DAI: We deliberately did not use
22 names in this report. Staff did offer us the opportunity
23 to do that. But certain individuals will be taken aside
24 and reminded personally. So, we know who you are.

25 I think we should ask that if you -- you know,

1 your March per diem report should be in no later than the
2 end of April and sooner, if possible.

3 EXECUTIVE DIRECTOR CLAYPOOL: I believe having a
4 policy is a wonderful idea, absolutely. But we will have
5 to give you the State Administrative Manual's statute of
6 limitation on the actual payment and because -- because
7 it's governed by State code so --

8 COMMISSIONER DI GIULIO: I think we could be
9 responsible citizens here and try and make every effort.
10 I think maybe a friendly reminder blast the week before,
11 to every Commissioner, saying you have one week. I mean,
12 that might be -- that might give people a little reminder.

13 COMMISSIONER DAI: I think that's an excellent
14 idea, let's have a reminder that goes out, you know.

15 EXECUTIVE DIRECTOR CLAYPOOL: The only reason I
16 mentioned the State Administrative Manual is they give you
17 far more than 30 days leeway. So you -- you're more
18 restrictive.

19 COMMISSIONER DAI: I think we should stick with
20 30 days.

21 EXECUTIVE DIRECTOR CLAYPOOL: Sure.

22 COMMISSIONER DAI: We have a limited life as a
23 Commission and, as Commissioner Galambos Malloy pointed
24 out, you really could get in a situation where people
25 don't turn them in until the end and that would --

1 BUDGET OFFICER DAVIS: And that truly impacts
2 the accuracy of the numbers that --

3 COMMISSIONER DAI: Any of our reports and how
4 useful they are.

5 BUDGET OFFICER DAVIS: Correct.

6 COMMISSIONER DI GIULIO: And may I actually have
7 another -- I just have another point about this, if it's a
8 good time to move on.

9 I was curious, kind of going back to Peter's
10 thing he likes to talk -- he's talked about, Commissioner
11 Yao, about our burn rate, so to speak.

12 You know, I see that various levels of
13 percentages used at this point, and understanding that we
14 haven't reach our -- we haven't started public input
15 hearings and we've been predominantly CRC business
16 meetings.

17 I'm wondering, based on how many business
18 meetings we've had and how many we anticipate having,
19 we're at -- you know, 72 percent burn rate so far. Are we
20 on track for the remainder of our -- if you took the whole
21 total number of our business meetings and where -- how
22 many business meetings have we had so far, are we around
23 72 percent business meetings to that our per diems match
24 up? Or are we like --

25 BUDGET OFFICER DAVIS: I'm not -- no, I don't

1 have the specific answer to that question. But to the
2 extent that our meetings are set up where we've combined
3 business meetings and input meetings, that's going to have
4 an impact on you not seeing the growth in your business
5 meetings, but the expenditures will show in your public
6 input meetings.

7 COMMISSIONER DI GIULIO: So that's a good point,
8 though, when we come to those days where there's both a
9 public input and a business meeting, I'm assuming that's
10 just -- we're not doing two three hundreds?

11 BUDGET OFFICER DAVIS: Correct.

12 COMMISSIONER DI GIULIO: We're doing one big --

13 COMMISSIONER GALAMBOS MALLOY: One thing on the
14 previous document that we had reviewed, around
15 expenditures, would it be possible for the addition of a
16 small note as to the percentage of the total that we have
17 expended to date, in addition to the actual dollar amount?

18 BUDGET OFFICER DAVIS: I'm sorry, I missed the
19 first part of your --

20 COMMISSIONER DAI: It's in the projected
21 expenses document.

22 BUDGET OFFICER DAVIS: Yes.

23 COMMISSIONER DAI: I believe Commissioner
24 Galambos Malloy is requesting a similar analysis here,
25 which is the percentage used.

1 Because right now all we have on this is we have
2 final cost, if it's done.

3 BUDGET OFFICER DAVIS: Correct, okay.

4 COMMISSIONER DAI: And we have -- and then we
5 have, basically, a combination of actuals and projected
6 for each of the other categories. So, I agree, it would
7 be helpful to see what's actually been used in each
8 category.

9 BUDGET OFFICER DAVIS: Okay, I can do that.

10 COMMISSIONER DAI: Understanding, of course,
11 that the budget number may actual change as well, but the
12 percentage will change then, too, so I don't think that's
13 a problem.

14 We are going to, I'm sure, reallocate and tweak
15 this budget as we go along, but at some point we want to
16 see where we're under and over.

17 BUDGET OFFICER DAVIS: Pretty much the per diem,
18 as well as the travel, we've been tweaking that pretty
19 good every time we started setting those meetings dates.
20 So we've counted off, on a calendar, how many days you're
21 going to be meeting, how many input meetings by
22 Commissioner. And we've probably got numbers in here, if
23 all Commissioners aren't going to be there, we've counted
24 that in the total, either for per diem and/or travel.

25 COMMISSIONER DAI: Okay.

1 COMMISSIONER DI GIULIO: Going back to that
2 issue with the input hearing and business meetings that
3 occur on the same day, do you have a preference as we move
4 forward as to how we claim that, if we claim it as an
5 input hearing or a business meeting?

6 EXECUTIVE DIRECTOR CLAYPOOL: Input hearing.

7 BUDGET OFFICER DAVIS: Input.

8 COMMISSIONER DI GIULIO: Input because of where
9 we are.

10 COMMISSIONER DAI: Yeah, we have a little more
11 money in that budget.

12 COMMISSIONER DI GIULIO: And I'm assuming that
13 even though the input hearings, and this is, you know, for
14 the public as well, even though the input hearing is just
15 three hours, our threshold is six hours -- we're
16 business -- but we will be traveling to these places,
17 which will be an additional three hours at that time.

18 COMMISSIONER DAI: We'll burn six hours by the
19 time we're done.

20 COMMISSIONER DI GIULIO: So I'm just letting the
21 public know.

22 BUDGET OFFICER DAVIS: We packed that in.

23 COMMISSIONER DI GIULIO: Okay. So in the
24 future, when it's a business and input, we'll just put
25 input.

1 BUDGET OFFICER DAVIS: Input.

2 COMMISSIONER DAI: Yeah, I mean and I think -- I
3 mean, again, if you look at the other document, the other
4 graph we have here, and you look at how much we spent, you
5 know, you can see we have nothing yet on the line-drawer,
6 and the VRA, you know, and the Commissioner per diem is
7 only a little bit. But we're going to be burning a lot of
8 time moving forward, so it kind of makes sense that some
9 of these are lower right now, but they'll accelerate quite
10 a bit in the next several months.

11 So, I had hoped to actually see this by month,
12 just to get a sense of how many days people were spending.
13 But I guess we can kind of --

14 BUDGET OFFICER DAVIS: We do have that.

15 COMMISSIONER DAI: You do have that, okay.
16 Because, you know, it would be helpful. I mean are people
17 spending three days a month, are they spending 20 days a
18 month? I mean, what is kind of the range there? Because
19 you said this is a total number, so this -- for some
20 Commissioners that could be since November and for other
21 Commissioners it could --

22 BUDGET OFFICER DAVIS: For a couple of them.

23 COMMISSIONER DAI: Yeah. Well, for eight,
24 right?

25 BUDGET OFFICER DAVIS: Well, as far as the

1 numbers -- go ahead.

2 EXECUTIVE DIRECTOR CLAYPOOL: From January
3 forward they're going to be good numbers. From November
4 to January they're going to be a mixed bag.

5 COMMISSIONER DAI: Yeah, we shouldn't look at
6 those numbers because it's not indicative.

7 EXECUTIVE DIRECTOR CLAYPOOL: Right. Because I
8 believe what happened is I believe some of your per diem
9 was mixed into the 500,000 -- actually, I should say the
10 3.8 million that the State Auditor went through to move
11 you forward, but was only reimbursed for 500,000.

12 So we're only really getting some that are kind
13 of mysterious outliers that are coming in.

14 So I would say that you really want to focus
15 January 1 forward.

16 COMMISSIONER DAI: Yeah, I completely agree. I
17 think it's confusing because --

18 BUDGET OFFICER DAVIS: Well, confusing, but
19 impacts your dollars because we cut checks against this
20 budget for those few.

21 COMMISSIONER DAI: For those few.

22 BUDGET OFFICER DAVIS: Yeah.

23 COMMISSIONER DAI: So those were the stragglers
24 who didn't get them into the Bureau of State Audits,
25 basically.

1 BUDGET OFFICER DAVIS: Well, a couple of them,
2 when I'm looking at DGS's fiscal services, that amounts
3 that have actually been paid, I'm seeing them paid in
4 February.

5 COMMISSIONER DAI: Wow.

6 BUDGET OFFICER DAVIS: So I had to include them
7 in here, but I thought it was strange because I hadn't
8 seen them. So I'm not sure if I'm going to get more or
9 whether or not it's picked up in another budget somewhere,
10 Secretary of State's Office, Bureau of State Audits. And
11 so that's part of our research of trying to gather --
12 because we've had these pieces and parts of the budget,
13 I'm trying to gather all documents out there and it's been
14 quite a hunt for that to make sure that we're whole.

15 COMMISSIONER DAI: Well, I think the purpose of
16 the analysis that we were trying to get as we -- I know
17 that Mr. Claypool, before you came on board, was trying to
18 use an estimate to calculate what the projection should be
19 for the Commissioner per diem. And I had suggested, you
20 know, 150 percent of the actual number of meeting days
21 just as a -- as a running estimate based on my own
22 experience.

23 And I'm just curious if we're coming out okay?
24 I do see, moving forward, that there potentially might be
25 less prep time required. There might be more media time

1 required. But a lot of our work will be at our meetings
2 and there won't be a lot of work outside of the meetings.
3 We'll be directing the line-drawer during the meeting, and
4 listening to public input during the meeting, so it might
5 correspond very closely to the actual number of meeting
6 days versus time outside.

7 I just want to make sure that our project is on
8 track.

9 EXECUTIVE DIRECTOR CLAYPOOL: We actually used
10 your project and -- but, remember, it assumes 14
11 Commissioners at all events.

12 COMMISSIONER DAI: Of course, there's some fall
13 off there, too. So, we have a little bit of fudge factor.

14 EXECUTIVE DIRECTOR CLAYPOOL: It's a very
15 strategic estimate.

16 COMMISSIONER DAI: So right now you still feel
17 comfortable, because we know we have 67 days of
18 business -- you know, of meetings and then, like I said,
19 there are some of us who are doing a lot of media events
20 outside, but I don't think it will be a lot more than
21 that.

22 Commissioner Yao?

23 COMMISSIONER YAO: Let me make a suggestion on
24 this column called "outreach" --

25 BUDGET OFFICER DAVIS: Yes.

1 COMMISSIONER YAO: -- let's don't do anything
2 with what has happened in the past, that 40 days, roughly
3 \$1,200. But moving forward, let's don't put any more
4 expenses under this column called "outreach."

5 In other words, define it truly as whether it's
6 a media, travel resulting in that per diem, or define it
7 as public input, or something else. Unless -- in other
8 words, I don't want the outreach to be a catchall
9 category.

10 COMMISSIONER DAI: It's not, I don't believe.
11 Right? It's just media events that were not arranged by
12 our Director of Communications.

13 BUDGET OFFICER DAVIS: Right.

14 COMMISSIONER DAI: So these are events that --

15 COMMISSIONER YAO: Well, it's okay if somebody
16 went to a media outreach, but if that's what it was, put
17 it under the category called media outreach and not create
18 a category where I really don't know what it is.

19 EXECUTIVE DIRECTOR CLAYPOOL: I think I
20 understand the dilemma. And perhaps the solution is to
21 simply notify the Chair of the Finance and Administration
22 that we have this unrecorded or unannounced meeting, and
23 then that we need to continue, but make sure it's
24 categorized for what it was.

25 COMMISSIONER YAO: Right.

1 EXECUTIVE DIRECTOR CLAYPOOL: And do away with
2 this column altogether.

3 COMMISSIONER YAO: Right. Because the last
4 thing I want to see is to have a catchall category that
5 really can't easily explain as to what the cost is.
6 Because at the end of the day we also have to explain to
7 the public as to why that cost is in that category, and
8 I'm not sure I can precisely do that with the way it was
9 explained. Okay?

10 BUDGET OFFICER DAVIS: Okay.

11 COMMISSIONER YAO: So, again, don't do any --
12 don't go back into history to try to understand what went
13 into that \$1,200. But from moving forward, let's don't
14 put any --

15 BUDGET OFFICER DAVIS: Do you want me to move
16 that?

17 COMMISSIONER YAO: Hum?

18 BUDGET OFFICER DAVIS: Do you want that move,
19 the 1,200?

20 COMMISSIONER YAO: No.

21 BUDGET OFFICER DAVIS: Okay.

22 COMMISSIONER YAO: No. I mean, it's --

23 COMMISSIONER DAI: It's only four days. I mean,
24 it actually might not be hard just to ask.

25 COMMISSIONER YAO: Right. So -- now, let's see.

1 COMMISSIONER DAI: And my understanding is these
2 are actually outreach activities, they're just ones that
3 were not arranged through our Director of Communications.

4 So, for example, I'm thinking of examples might
5 be if a Commissioner was teaching or something, so
6 something that a Commissioner arranged in other words.

7 COMMISSIONER YAO: Whether it's -- I don't
8 believe anybody is trying to game the system, number one,
9 okay.

10 And number two is it really would be good if we
11 can -- if outreach is indeed a necessary category, let's
12 define what it is so that it's clear and not this iffy
13 stuffy that's going on. And I don't have any problem in
14 terms of coming up with another category that catches --
15 that catches the expenses on a per diem basis that we
16 incur, that's not what I'm objecting to at all.

17 But moving forward let's --

18 COMMISSIONER DAI: You don't want this
19 vagueness.

20 COMMISSIONER YAO: Yeah. At least sitting up
21 here, the way I understand it, it's something that we
22 really don't understand what's going on and we think it's
23 a good way to capture that very small expense.

24 The other thing is I -- when I was the chair for
25 the month of December and January, I have kept record in

1 terms of who charged how much per diem, so I have that in
2 my record if anybody is interesting in seeing that I'll --
3 whether it's charged to this budget or not --

4 COMMISSIONER DAI: Ms. Davis has that
5 information.

6 BUDGET OFFICER DAVIS: Well, I only have for a
7 couple of Commissioners --

8 COMMISSIONER YAO: Right.

9 BUDGET OFFICER DAVIS: -- because it hasn't hit
10 this budget. But I know it must be out there because we
11 have 14 Commissioners.

12 COMMISSIONER YAO: Right. And I'm not sure it's
13 important to clean up this budget, it's more work than
14 it's worth.

15 COMMISSIONER DAI: Yes.

16 COMMISSIONER YAO: But if anybody's interested
17 in having that information, I certainly can share it with
18 whoever wants to know.

19 COMMISSIONER DAI: Yeah. I mean, I think it's
20 more important moving forward because we didn't really
21 establish a standard until we actually met as a full body.
22 And so it might be more random for November and December.

23 BUDGET OFFICER DAVIS: Now, the one concern
24 about that is if someone did find a stack behind a
25 bookcase somewhere, and they shipped it through to us for

1 payment, then it's going to impact these numbers.

2 COMMISSIONER DAI: Right. So, again, we'll make
3 an appeal to turn those things in, in a timely fashion.

4 BUDGET OFFICER DAVIS: Okay.

5 COMMISSIONER DAI: Actually, I was going to ask
6 do you want to suggest a shorter turnaround time for TECs,
7 like two weeks?

8 BUDGET OFFICER DAVIS: Two weeks or --

9 COMMISSIONER YAO: It's been turning around
10 very, very quickly.

11 COMMISSIONER DAI: Yes, that's --

12 COMMISSIONER YAO: It's been less than a week,
13 so I don't think it's an issue anymore.

14 COMMISSIONER DAI: No, it's not a problem with
15 them, it's a problem with Commissioners.

16 BUDGET OFFICER DAVIS: Or per travel engagement,
17 even.

18 COMMISSIONER DAI: Yeah, two weeks after.

19 BUDGET OFFICER DAVIS: Yeah.

20 COMMISSIONER DAI: Okay.

21 BUDGET OFFICER DAVIS: It will allow us to get
22 the numbers --

23 COMMISSIONER DAI: Okay, so within 30 days for a
24 per diem and within 15 for travel.

25 BUDGET OFFICER DAVIS: And now that we have

1 someone to help, we're pushing those through as soon as we
2 get them. So the sooner you get them to us, the faster we
3 can get it through the State process for payment.

4 COMMISSIONER DAI: Yeah, if something's -- a log
5 jam seems to have been broken through, I got a whole bunch
6 of checks all at once.

7 BUDGET OFFICER DAVIS: Great.

8 COMMISSIONER DAI: Yes, Commissioner Ward?

9 COMMISSIONER WARD: I apologize if this has been
10 addressed already and, obviously, I missed half of the
11 meeting.

12 But one thing, in discussing the per diem
13 requests that I think would be helpful -- I'm up to date.
14 But I do know that with every one I've turned in there's
15 been information missing or there's been changes that need
16 to be made to the sheet.

17 And I realize that that's because, in contrast
18 to the TECs, I've gotten zero training in how to fill out
19 the per diem requests.

20 COMMISSIONER YAO: None of us has.

21 COMMISSIONER WARD: Well, that's my point.
22 Maybe the problem with getting Commissioners to turn them
23 in is simply they don't know what to do with the form.

24 BUDGET OFFICER DAVIS: Okay.

25 COMMISSIONER WARD: So maybe if we could take a

1 few minutes at some point, and I'm sure it wouldn't take
2 much and --

3 BUDGET OFFICER DAVIS: We would be more than
4 happy to.

5 COMMISSIONER WARD: Yeah, and just from the
6 stand point, too, of it will just, like I said, I'm sure
7 it will save you time.

8 BUDGET OFFICER DAVIS: Absolutely.

9 COMMISSIONER WARD: Because I've been diligent
10 about getting them in, but it seems like there's always
11 something that, oh, I didn't know I needed that number.
12 What's that number? Or, you know, whatever the case may
13 be. So if we get it, then it's on my instead of you for
14 once.

15 BUDGET OFFICER DAVIS: Okay.

16 COMMISSIONER WARD: Thank you.

17 COMMISSIONER DAI: Yeah, actually, why don't we,
18 maybe as part of our report back if you could take five
19 minutes and explain, you know, the categories so that
20 people can code --

21 BUDGET OFFICER DAVIS: Okay.

22 COMMISSIONER DAI: -- so they don't just put
23 Commission time.

24 BUDGET OFFICER DAVIS: Okay.

25 COMMISSIONER DI GUILIO: And also, if you wanted

1 something more specific, Mr. Claypool referenced,
2 particularly as we're talking about prep, I don't know if
3 you need dates, or if you need specific activities, or if
4 just saying prep was enough, or if you needed more?

5 BUDGET OFFICER DAVIS: Okay.

6 COMMISSIONER DAI: I don't think -- I mean, I've
7 put a date because we're supposed to put a date on the
8 form, but I've been using the six-hour increment. And so
9 I kind of put a date that, you know, I've gotten my
10 accumulation of six hours.

11 COMMISSIONER DI GUILIO: I usually say prep
12 for -- I'll put a date for the upcoming meeting, so I'll
13 say it was prep for the meeting between 4/7 and 4/11. I
14 don't know if -- as opposed to saying each day that
15 I've -- you know, I've got two hours on this date, three
16 on --

17 COMMISSIONER DAI: Right. I don't think --
18 that's what I'm saying, I don't think the number --
19 exactly which day you did it is important.

20 COMMISSIONER DI GUILIO: I guess is that enough
21 detail? Going back on Commissioner Ward's is you tell us
22 what you need in terms of level of detail or category --

23 BUDGET OFFICER DAVIS: Okay.

24 COMMISSIONER DI GUILIO: -- and we will do our
25 best to fill it out.

1 COMMISSIONER DAI: Yeah, and keeping in mind,
2 again, that there probably will be a Public Records
3 request on this so, you know, I've tried to be as specific
4 as I can, interview with XY&Z and, you know, read this
5 book. I mean whatever, you know, I've been trying to be
6 specific so that anyone can see how I've --

7 BUDGET OFFICER DAVIS: Well, we can certainly do
8 that now that we have a staff person that's dedicated to
9 being able to know what problems that she's seeing when
10 she's processing the travel claims, what type -- or per
11 diem. What type of kickbacks we get from General Services
12 that would allow us to fine tune the process so that they
13 just keep moving through.

14 COMMISSIONER DAI: Going through. Speaking of,
15 did you get the professional -- a professional so that we
16 could work on the pre-filled --

17 BUDGET OFFICER DAVIS: We've got that ordered as
18 a matter of fact. We don't have it, yet, but we're
19 working on it.

20 COMMISSIONER DAI: Okay.

21 BUDGET OFFICER DAVIS: In the next couple of
22 weeks.

23 COMMISSIONER DAI: So, yeah, let's plan to take
24 a few minutes when we do the report-back, if you could
25 just give us some advice on how to fill in these forms.

1 BUDGET OFFICER DAVIS: Okay.

2 COMMISSIONER DI GIULIO: And then I'd like to
3 know when the advisory committee's going to start putting
4 names on the paper?

5 COMMISSIONER DAI: We thought about it but there
6 are -- like I said, there are certain Commissioners who
7 have not turned in any forms.

8 BUDGET OFFICER DAVIS: Absolutely.

9 COMMISSIONER DAI: So we thought we would give
10 them fair warning before we did that.

11 COMMISSIONER YAO: It may be appropriate for us
12 to recommend, saying the first five columns of this -- of
13 this sheet right here shall be the justification for the
14 per diem claim, so that there's no question as to once we
15 submitted the per diem which category it goes into.

16 COMMISSIONER DAI: Uh-hum.

17 COMMISSIONER YAO: I think the first five
18 columns, I think --

19 BUDGET OFFICER DAVIS: Well, we're using -- each
20 time we're doing the analysis of the travel and per diem,
21 we've actually set up a code that we tick off. And if
22 it's business -- if she's having difficulties with
23 deciphering it, and I don't know how much difficulty,
24 that's what we can point out to you to clarify it.

25 COMMISSIONER YAO: Yeah, I think since we submit

1 the expense, if we can get ourselves to put down this
2 category under reasons, then that would simplify the
3 process.

4 COMMISSIONER DAI: Yeah, I think that's helpful.

5 COMMISSIONER YAO: That takes all the
6 decision --

7 COMMISSIONER DAI: Absolutely, like give us the
8 letter for each one.

9 COMMISSIONER YAO: -- away from you having to --

10 COMMISSIONER DAI: So it can be M, for media
11 interviews with ATSF, and whatever.

12 BUDGET OFFICER DAVIS: Okay.

13 COMMISSIONER DAI: So that we can provide the
14 detail, but also have the code there so that you don't
15 have to guess.

16 BUDGET OFFICER DAVIS: Okay, we can do that.

17 COMMISSIONER DAI: Whatever we can do to make
18 your life easier.

19 COMMISSIONER YAO: So I think that simplifies
20 the process, okay.

21 COMMISSIONER DAI: Okay, great. Thank you so
22 much. We're figuring this stuff out and we'll have it all
23 figured out by August 15th, as Mr. Claypool always tells
24 me.

25 All right. We're on to staffing and personnel.

1 Thank you, Ms. Davis.

2 BUDGET OFFICER DAVIS: You're welcome.

3 COMMISSIONER DAI: We have a policy manual that
4 is much longer than the one we were given last time.

5 COMMISSIONER WARD: It does look bigger.

6 COMMISSIONER DAI: Yeah. So, we're probably
7 going to need to take a little time to review it, but
8 maybe you can go over the highlights, Mr. Claypool.

9 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. In
10 fact, I can do better than that, I can save you some time.

11 So, the -- if you've already read this document
12 then you have already read the code of conduct. Nothing
13 has changed, with the exception of the second paragraph
14 underneath the section heading, where it starts with "all
15 employees."

16 And for this it was added because Marian felt it
17 was --

18 COMMISSIONER DAI: Helpful.

19 EXECUTIVE DIRECTOR CLAYPOOL: -- very necessary.

20 COMMISSIONER DAI: Okay.

21 EXECUTIVE DIRECTOR CLAYPOOL: Everything else is
22 the same. And I should always preface this, this is
23 staff, so this is -- when we read code of conduct this is
24 for staff, this doesn't turn over to the Commission.

25 If the Commission, at some point, wishes to

1 place themselves under this code of conduct, they would
2 have to make that determination.

3 COMMISSIONER YAO: Could you include that as
4 part of the title of the document?

5 EXECUTIVE DIRECTOR CLAYPOOL: Oh, the -- I
6 could, I certainly could. I probably should. So I will
7 go ahead and add that.

8 BUDGET OFFICER DAVIS: Just for the code of
9 conduct, the rest of it doesn't --

10 EXECUTIVE DIRECTOR CLAYPOOL: Oh, I'm sorry,
11 just for the code of conduct, so I'll put --

12 COMMISSIONER DAI: Staff code of conduct.

13 EXECUTIVE DIRECTOR CLAYPOOL: Staff code of
14 conduct.

15 COMMISSIONER YAO: Okay.

16 EXECUTIVE DIRECTOR CLAYPOOL: Well, actually,
17 I'll just go with the heading in the table of contents,
18 "staff and consultant."

19 COMMISSIONER DAI: Okay.

20 COMMISSIONER GALAMBOS MALLOY: Mr. Claypool, I
21 had one observation from having read through the document,
22 was that as I'm out in the public as a Commissioner I have
23 field some questions from concerned citizens, who just
24 want to have a clear sense of what our procedures are
25 around public comment. And more specifically, the

1 turnaround time and kind of routing on how they are shared
2 with Commissioners. And if, for example, one Commissioner
3 receives something how that gets distributed and posted as
4 a public comment.

5 And I'm not sure if this policy manual is the
6 place for this, but I would like to see something in
7 writing, even in very brief form, that addresses that so
8 that we, as Commissioners, and the public are all on the
9 same page.

10 EXECUTIVE DIRECTOR CLAYPOOL: Actually, I think
11 that this would be the appropriate place, under the
12 communications protocol. I don't know that we address it
13 under the communications protocol, but I think that we
14 could add it there.

15 COMMISSIONER YAO: Ms. Malloy, does paragraph
16 three of that section two, is that inadequate in
17 addressing the communication directly to the Commissioner?

18 COMMISSIONER GALAMBOS MALLOY: I guess my
19 question is broader. Because this point, bullet three
20 under section two is really referring to inquiries from
21 the media and my -- the questions and feedback I've been
22 getting is more from public citizens, who are not
23 necessarily from the media, but who have just some sort of
24 broad comment, or question, or concern around the process
25 and want to ensure that that is relayed in an effective

1 and timely manner to the Commissioners.

2 EXECUTIVE DIRECTOR CLAYPOOL: And I would think
3 that possibly, Commissioner Galambos Malloy, possibly an
4 expansion of number four might be where we would want to
5 do it.

6 COMMISSIONER GALAMBOS MALLOY: Yes, that would
7 be perfect.

8 COMMISSIONER DAI: So, just to be clear, these
9 are just general questions/comments from the public for
10 Commissioners?

11 COMMISSIONER GALAMBOS MALLOY: Anything that
12 would fall under the realm of public comment. So, for
13 example, much as we established some protocols around
14 internal timing on how we deal with establishing the
15 expanded agendas for our meeting, we have a 72-hour, and a
16 48-hour and a 24-hour. I think that level of detail would
17 be useful to say this is both a process in terms of where
18 the public comments need to go and we assure the public
19 that -- I'm making up my language here. But that, you
20 know, within 24 hours or 48 hours have some sort of
21 maximum threshold by when any given public comment will be
22 distributed to the full Commission for review.

23 COMMISSIONER DAI: Okay. So your point is about
24 response time, not about who responds, or whether it's
25 posted?

1 COMMISSIONER GALAMBOS MALLOY: It's about
2 distribution, posting and distribution.

3 COMMISSIONER DAI: Timely posting and
4 distribution.

5 COMMISSIONER GALAMBOS MALLOY: Uh-hum.

6 COMMISSIONER DAI: What is our policy right now?
7 I know that public comments are posted every day, but
8 what's the lag time?

9 EXECUTIVE DIRECTOR CLAYPOOL: The lag time is
10 principally around how quickly they can be reviewed,
11 because they certainly have to be read for offensiveness
12 and so forth.

13 COMMISSIONER DAI: Uh-hum.

14 EXECUTIVE DIRECTOR CLAYPOOL: After that they go
15 up fairly quickly. But I would have to refer to Christina
16 Shupe, in the office, as to the actual distribution to the
17 Commissioners. My understanding was that it was
18 simultaneous and that you were getting it as soon as -- it
19 was just the same string of posting.

20 So we can certainly put it in here. But we do
21 have to always take the caveat, we do receive such a
22 tremendous volume that I can't say that something won't
23 fall through the cracks but, generally, I think you're
24 getting all the volume. I don't -- I haven't heard of
25 anybody tell me that you didn't receive something.

1 COMMISSIONER DAI: So what would you suggest as
2 a timeline, Commissioner Galambos Malloy?

3 COMMISSIONER GALAMBOS MALLOY: Well, I can throw
4 something out and then staff can weigh in on whether they
5 think it's feasible. But can we say 24 hours?

6 EXECUTIVE DIRECTOR CLAYPOOL: And if I could go
7 back to Christina, I hate to speak for the person who has
8 to do it. Because, basically, what we end up doing with
9 Christina is we put her on 24-hour overtime if we -- if we
10 have, you know, a thing. I would say that, you know, we
11 just need to talk about it a little bit and come back with
12 something that makes some sense.

13 COMMISSIONER YAO: Yeah, maybe translating that
14 into 24 time hours, calendar hours, maybe eight business
15 hours or something like that, because you do have the
16 weekend, you do have holidays, and you do have all these
17 things that get in the way in terms of being able to turn
18 it around per the clock.

19 EXECUTIVE DIRECTOR CLAYPOOL: Now, I want to say
20 to Commissioner Galambos Malloy in regard to that, so far
21 we haven't taken any days off, that's why I'm fairly
22 certain your receiving it in 24 hours is probably
23 perfectly reasonable.

24 But as we move forward if we get into a pinch, I
25 wouldn't want to be -- I would want to be able to take

1 that off the table if we just couldn't pay overtime.

2 In fact, this last week we pretty much went to a
3 only overtime on business meetings and when they're
4 traveling, with Christina being the only exception just
5 because of how quickly we were slipping through the
6 overtime. But that's just more trying to keep an eye on
7 it.

8 So, I'll talk with her, Commissioner Galambos
9 Malloy, and we'll come back with something that we'll run
10 by you.

11 COMMISSIONER GALAMBOS MALLOY: Okay, thank you.
12 I mean, I think there's multiple implications to how we
13 deal with it because we, as a Commission, as you said
14 staff is working throughout the weekends, Commissioners
15 are going to be doing hearings on Saturdays and Sundays,
16 we are going to be a 24-hour operation.

17 And I know earlier on there were some issues
18 with public comments that weren't necessarily received by
19 Commissioners in a timely enough manner to have them
20 influence the decisions that the Commission was making.

21 And at the time they were minor decisions, but
22 we want to make sure that that does not happen moving
23 forward. So that's really the intent behind this and I
24 am, by all means, open to feedback from staff on what a
25 reasonable time horizon would be. But I wanted you to

1 understand my intent.

2 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. And I
3 have one other thing to add it just -- it completely
4 slipped my mind and I don't know why it slipped my mind.
5 But we will be -- when you're in the field, every time you
6 have an input hearing, Christina Shupe is sweeping those
7 e-mails three times a day and boxing -- and putting them
8 into files and sending them to our line-drawer in files,
9 so that we can categorize them by input meeting.

10 So, certainly, by virtue of the fact that she's
11 sweeping them three times a day, they're going in three
12 times a day, or they're constantly being updated and
13 posted online, or as quickly as we can.

14 COMMISSIONER GALAMBOS MALLOY: That's great to
15 know.

16 COMMISSIONER DAI: Out of curiosity, has that
17 been done for past comments as well, because there have
18 been, you know, a number of comments. I know we've been
19 working hard to get a contract in place, but there have
20 been a number of comments we've received to date that are
21 relevant for -- that are public input, essentially.

22 EXECUTIVE DIRECTOR CLAYPOOL: We are -- I was
23 responding to something there. But we have been growing
24 with this process. Certainly, since we've gotten
25 Elizabeth finally on board and we're working with a

1 professional web designer things are getting better and
2 better, and we're getting better staff.

3 We have taken the comments that have been coming
4 forward and we've been trying to make sure that we hold
5 them for our line-drawer when they're specific to a topic.

6 So we're doing a lot with the database. I can't
7 tell you how much faster we are I just -- Janeece just
8 told me 24 hours isn't enough time for the posting and I
9 think that might have to do with the redaction, as well.

10 COMMISSIONER DAI: Right.

11 EXECUTIVE DIRECTOR CLAYPOOL: So we'll come back
12 to you with it. We're going to get better. I'm actually
13 revising, I'm going to revise my estimate to you,
14 Commissioner Dai, August 1st we'll be perfect.

15 COMMISSIONER DAI: That's good. So you're
16 counting for the 14-day notice period.

17 Okay. So given that there are going to be some
18 changes here and I see we've probably read everything
19 except for section four, is that correct?

20 EXECUTIVE DIRECTOR CLAYPOOL: No, there's
21 actually an addition that we wanted to discuss with you,
22 on section three, and on the personnel policy and
23 procedure. And this is number two, employee evaluations.

24 We need to start thinking in terms of the State
25 Administrative Manual and the California Department of

1 Personnel Administration. I have staff that, even though
2 you've approved them, I need to give them evaluations,
3 people expect to see them in their files.

4 And so I'm going to ask you that we let this
5 stand that I develop the evaluation criteria that's
6 consistent with the standards required so that we can --
7 we can tell the world about what a great job they've done
8 for you.

9 COMMISSIONER DAI: Uh-hum.

10 EXECUTIVE DIRECTOR CLAYPOOL: So that's been
11 included. The hiring and firing is the same. The status
12 is the same. And now we're going to come to the point
13 where I'm going to look at Marian and say what is this
14 section for, and she's going to explain it all.

15 COMMISSIONER DAI: Okay.

16 COMMISSIONER YAO: Before we go to the next
17 topic on the communication protocol, do we have a protocol
18 in terms of responding to either a call or an e-mail
19 input? In other words do we thank them for the receipt of
20 the -- or acknowledge the receipt of the e-mail or do
21 we -- in situation where they ask a question, do we have a
22 protocol in terms of how we should respond to those kind
23 of e-mail?

24 EXECUTIVE DIRECTOR CLAYPOOL: I would have to go
25 back through here and look and I'm sure that -- well, I

1 think that Rob may have addressed it.

2 However, what I can tell you is if somebody
3 sends us an e-mail it posts, and then when we respond to
4 them that posts because it's all a transparent process.

5 So do we -- so would someone know we received
6 something? It's kind of like, well, you know by virtue of
7 the fact it's on our website.

8 COMMISSIONER DAI: It's on our website.

9 EXECUTIVE DIRECTOR CLAYPOOL: And then the
10 response would be the same thing. Although by default, if
11 we respond, they should also receive that and see it on
12 the website.

13 COMMISSIONER YAO: So the -- based on the
14 comment, I suspect that we're not responding to each e-
15 mail individually as a procedure.

16 EXECUTIVE DIRECTOR CLAYPOOL: No, we respond to
17 some e-mails and some e-mails we do not. If somebody
18 sends in an e-mail that says I don't want my district
19 changed, you know, Dan Claypool, we don't respond to that,
20 we simply post it because we have too much volume to
21 respond to all e-mails and we don't have enough staff.
22 We'd have to take on a significant number.

23 COMMISSIONER YAO: Again, I'm not suggesting
24 any -- any direction that we're going. But do we need to
25 spell out as to how we make those calls, whether we're

1 going to respond to an e-mail or we're not going to
2 respond to an e-mail?

3 It's strictly a question, it's not -- I'm not
4 pushing --

5 COMMISSIONER DAI: But I think it's attempted to
6 be drawn out here.

7 COMMISSIONER YAO: Which paragraph are you
8 looking at?

9 COMMISSIONER DAI: Well, there are different
10 kinds of communications.

11 COMMISSIONER YAO: So all the input --

12 COMMISSIONER DAI: You have calls from the
13 media --

14 COMMISSIONER YAO: -- all the input that we will
15 receive in the input meeting, we're not going to basically
16 respond to the speakers outside of posting, and also
17 outside of our summary.

18 COMMISSIONER DAI: Our response will be in the
19 maps.

20 EXECUTIVE DIRECTOR CLAYPOOL: Yes. But,
21 Commissioner Yao, yes, you're right. We can't possibly
22 respond to all the people.

23 But you are right, as well, that perhaps it's
24 something we should put in our procedure so that people
25 will understand if they --

1 COMMISSIONER YAO: There's no false expectation
2 of saying, well, I asked you a question, you didn't answer
3 me, okay.

4 EXECUTIVE DIRECTOR CLAYPOOL: Yes, sir.

5 COMMISSIONER YAO: Okay.

6 COMMISSIONER DAI: Well, and maybe that's really
7 an expansion of Commissioner Galambos Malloy's question
8 about public comment, too.

9 EXECUTIVE DIRECTOR CLAYPOOL: Right, it could
10 be -- we could start just dropping it down with bullets
11 and we could just add some we're going to try to respond,
12 some will post. If we don't do it, it's because of this
13 or this.

14 COMMISSIONER YAO: Or there response is going to
15 be posted on our website or posted da-da-da --

16 EXECUTIVE DIRECTOR CLAYPOOL: Certainly.

17 COMMISSIONER YAO: -- and leave it at that okay.
18 Okay, thank you.

19 EXECUTIVE DIRECTOR CLAYPOOL: Thank you.

20 COMMISSIONER DAI: Okay.

21 MS. JOHNSTON: Record retentions policy. There
22 is a State statute that requires every State agency to
23 create a record retention policy, plus it's good operating
24 procedures to have one.

25 There is a section of the Department of General

1 Services called CALRIM, which stands for record and
2 information management, that puts out volumes of material
3 on what a retention policy should include.

4 I have attempted to go through that and pull out
5 the parts that I thought would be relevant to this
6 Commission.

7 The first thing to realize is that records mean
8 everything, everything except probably face-to-face, or
9 voicemail, or telephone conversation. Anything that's
10 recorded in any way, whether it's by e-mail, by computer,
11 laptop, by whatever, any document by any means is
12 considered a record for purposes of record retention.
13 That doesn't mean that every record has to be retained, it
14 simply has to be accounted for.

15 So in going through this I made the proposal
16 that the Executive Director be responsible for overseeing
17 it, since someone needs to do it on a fairly regular
18 basis.

19 As to long-term value of records that must be
20 retained, that has to be decided by the Department of
21 General Services and the Secretary of State. And those
22 materials that would need to be retained in perpetuity
23 would eventually go to the State archives.

24 And as you'll see later on, basically everything
25 that goes into the final mapping process I suggest should

1 be included in that category.

2 When you're evaluating what value a record has
3 there's four different categories. One is administrative,
4 which is things like payroll, just things to keep the
5 process going. And those, for some like payroll, there
6 are specific statutes requiring how long they need to be
7 maintained and that's reflected.

8 Some have a legal value, things like the
9 submission for pre-clearance to the Department of Justice,
10 which is legally required, would be included in that
11 category.

12 Some of a fiscal value and that would basically
13 be your budget information of how you expended the money.

14 And then, again, some have historic and archival
15 value and those would be the materials relating to the
16 redistricting process.

17 And as to those categories of documents then you
18 have to decide whether they're permanent records that need
19 to be maintained forever or if they may be discarded after
20 some period of time.

21 So permanent records are those that would be
22 kept forever, but you don't need to maintain duplicate
23 copies, only one set of those records need to be
24 maintained.

25 COMMISSIONER DAI: So I just want to call a stop

1 here because we have ten minutes left and there are a
2 number of other items we need to discuss.

3 Mr. Claypool, is it your intention that you
4 would like us to approve this today? I mean, we are
5 definitely not going to have time to finish reviewing
6 this.

7 EXECUTIVE DIRECTOR CLAYPOOL: Oh, absolutely,
8 this is a comprehensive document and it's very well done.
9 I would hope that we would have the opportunity to revisit
10 tomorrow in the -- as we move out. Was there going to be
11 training on this, this afternoon, as well?

12 COMMISSIONER YAO: Our homework, right.

13 MS. JOHNSTON: There's going to be training on
14 it this afternoon, basically on what the legal
15 requirements are under the Public Record Act, the Records
16 Retention Act. But you don't have to approve where --
17 which documents fall into which category at this time.

18 COMMISSIONER DAI: Okay.

19 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. So,
20 yes, it's my recommendation that we accept it.

21 COMMISSIONER DAI: Okay. So with the caveat
22 there were a couple of changes that we've asked you to
23 make.

24 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. And
25 I'm sure there will be changes after all the Commissioners

1 have the opportunity to read it and respond to it.

2 COMMISSIONER DAI: All right, so we can approve
3 it in principle.

4 Was there any other kind of additions? I had
5 also had put a note on how to handle public comment, so I
6 think that will be covered.

7 EXECUTIVE DIRECTOR CLAYPOOL: Okay.

8 COMMISSIONER DAI: And I think the only other
9 question I had was under hiring and firing --

10 EXECUTIVE DIRECTOR CLAYPOOL: Right.

11 COMMISSIONER DAI: -- which was the thing about
12 a decision to discharge an employee. And maybe this is a
13 question for Ms. Johnston, but a lot of our employees are
14 contractual employees that are only here for a certain
15 amount of time, so I'm assuming that's not considered
16 discharge.

17 MS. JOHNSTON: Right, if it's the end of the
18 contract, they're no longer employees.

19 COMMISSIONER DAI: Okay. So that was just a
20 clarification. And I think I had a nit on a grammatical
21 thing, which I can share with you later.

22 But unless there are any other issues with the
23 policy, again for staff and consultants? None. Okay, so
24 we'll go ahead and recommend that the full Commission
25 approve this. And then if there need to be tweaks, I'm

1 sure that we can make changes as needed.

2 I wanted to -- let's see, we've got a bunch of
3 other minor items. I want to make sure that we meet our
4 new staff person.

5 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. Lisa?
6 Lisa came to us -- Lisa Halterman -- came to us from MTI
7 and it was just lately our conduit for good help. And,
8 initially, we brought her on with a \$5,000 contract in
9 order to work her, but realized we couldn't do without
10 her. So we've moved her over into that second position,
11 in the position of a staff services analyst, or SSA.
12 Lisa?

13 MS. HALTERMAN: Hi, everybody. I have, in the
14 past two weeks -- approximately two weeks, I have helped
15 get this -- the budget process going. So we do have, as
16 far as TECs go, everything is current, up to date, except
17 for the ones that I received today, and they have been
18 sent over to DGS for payment.

19 Per diems, all up to date, I have files, I have
20 spread sheets, I know when I've sent them. So, everybody,
21 if you have questions let Janeece know and I can get back
22 to her either way.

23 Anything you guys have, I have a spread sheet
24 for it.

25 COMMISSIONER DAI: In other words, Ms. Davis

1 would be very happy if we approved you?

2 MS. HALTERMAN: Yes. So, it has been an
3 absolute joy working with these people. They have made my
4 day every day so --

5 COMMISSIONER DAI: Great. Thank you. Welcome.

6 MS. HALTERMAN: Thank you.

7 COMMISSIONER DAI: Okay. So, we will move
8 forward with the recommendation to the full Commission to
9 approve her hire so we can get her onto the payroll.

10 I wanted to spend at least a few minutes on
11 talking about our closed session that we're going into
12 tomorrow morning. Is that correct, Commissioner Ontai?
13 Over lunch, right?

14 COMMISSIONER ONTAI: Yes.

15 COMMISSIONER DAI: Okay. As we've discussed
16 before, it's incumbent upon the Commission to make sure
17 that we give useful and constructive feedback to our
18 Executive Director on a regular basis, especially since
19 we're in such a compressed time frame. And since the last
20 time we did this was back in Claremont, we're going to
21 take an opportunity to do that again.

22 We have -- Mr. Claypool has asked that the full
23 Commission be involved, so rather than doing it in this
24 Committee, we will go into closed session tomorrow.

25 The process we've used -- would you like to

1 briefly describe the process, Commissioner Galambos
2 Malloy?

3 COMMISSIONER GALAMBOS MALLOY: Sure, I'm happy
4 to. We requested, and I say we, as Finance Administration
5 Committee, but I was the lead on this process, requested
6 from all Commissioners feedback that would serve as
7 performance evaluation, feedback for Mr. Claypool, and had
8 it structured so there was an opportunity for noting his
9 strengths, areas for improvement, and always focusing on
10 tangible examples that are actionable.

11 And so that is the intent of our going into
12 closed session is to provide that timely feedback. We're
13 in a very different moment in our organization's -- or
14 entity's growth than we were back in Claremont, and we are
15 on the brink of beginning our input hearing process and,
16 really, the substance of what we, as a Commission, were
17 formed to do. And so, wanted to ensure that where there
18 were any issues arising that we had the opportunity to
19 resolve them moving forward.

20 One item that, in the process of obtaining this
21 feedback from the Commission, that arose was a question
22 regarding how the Commission would like to handle
23 providing performance evaluation feedback regarding other
24 CRC staff. There was a suggested made, that came up from
25 various Commissioners, that given the Commission's

1 heightened interest in our legal counsel position, and the
2 fact that the Commission did hire Mr. Miller directly,
3 there may be the desire to provide him with direct
4 feedback as a Commission, much as we are doing for Mr.
5 Claypool.

6 There are others who might suggest let's just
7 streamline it through Mr. Claypool, provide a mechanism
8 whereby any Commissioner can provide feedback on Mr.
9 Miller and all the other CRC staff members, but that Mr.
10 Claypool, as the Executive Director, would be the one
11 responsible for conducting those internal evaluations and
12 passing along that feedback.

13 And so I realize that we're out of time here as
14 a Committee, I think it is a discussion item that we would
15 want to pose to the full Commission. Obviously, we would
16 not be in a position to give feedback to Mr. Miller
17 tomorrow, if that was what the Commission elected it would
18 like to establish from a process stand point, but we can
19 certainly set in a mechanism moving forward on how we deal
20 with other staff.

21 COMMISSIONER DAI: My personal opinion is that
22 we should really provide the feedback to Mr. Claypool and
23 let him, as the manager of all the other CRC staff,
24 provide that feedback, you know, to the staff as part of a
25 normal performance review that he has indicated that he is

1 going to be setting up for them. That would be my
2 personal opinion.

3 I don't know if any of the other Committee
4 members have any thoughts?

5 COMMISSIONER WARD: It's not an either/or. I
6 mean, if you have feedback that you feel relevant for
7 that, you can provide it to the Executive Director. But
8 it certainly seems like an appropriate course.

9 COMMISSIONER DAI: Right. And, of course, I
10 mean all of us should feel free to give feedback that's
11 helpful directly to any staff when something happens. And
12 the best feedback is immediate.

13 But I think Mr. Claypool, if you ask for input
14 from the Commission as you do staff reviews, I'm sure
15 certain Commissioners would be happy to provide that.

16 EXECUTIVE DIRECTOR CLAYPOOL: Certainly. And
17 between now and August 15th it's going to be -- and August
18 1st is our perfection date, but August 15th is final date,
19 it's going to be -- it's going to be just as we can do it,
20 there's not going to be a lot of time.

21 And then we can perfect this process for what
22 the State requires, which is really quarterly evaluations
23 for probation -- probationary employees, and then bi-
24 yearly or half-yearly evaluations for employees, which is
25 more of the norm.

1 But for now we just have to get through this
2 process and then we'll work on that, but for yourselves
3 and for your predecessors.

4 COMMISSIONER DAI: Right, exactly. So, we're
5 actually out of time, but I'm looking quickly at the other
6 agenda items and I just wanted to give Mr. Claypool a
7 chance to comment on any of the remaining items.

8 I believe we've reviewed the communication
9 protocol that's outlined in the policy manual --

10 EXECUTIVE DIRECTOR CLAYPOOL: Right.

11 COMMISSIONER DAI: -- or you have something
12 separate?

13 EXECUTIVE DIRECTOR CLAYPOOL: No. No, that's --
14 everything there is reviewed.

15 COMMISSIONER DAI: Okay.

16 EXECUTIVE DIRECTOR CLAYPOOL: I can -- I'll give
17 you the 60-second version of the last three bullets.

18 COMMISSIONER YAO: Before you start that
19 process, is this policy manual available online at this
20 point?

21 EXECUTIVE DIRECTOR CLAYPOOL: Yes, sir, it was
22 posted.

23 COMMISSIONER YAO: Okay.

24 EXECUTIVE DIRECTOR CLAYPOOL: So, update on the
25 IT facilities and new building. We're actually holding

1 our IT contract through the Secretary of State until we
2 move over, because if we transferred it to our new
3 building and transferred it over, we'd lose four days on
4 our website. The other way we'll lose 12 hours on our
5 website.

6 And Raul Villanueva is working very hard on
7 that.

8 Update on expected moves, they're actually
9 moving, going out of our building on the 17th of May. And
10 so the rumor was we were going to go on the 18th. In
11 actuality, Debbie Gable, our DGS contact, said that it
12 will be at the end of May to accommodate our parking
13 passes in other facilities, a very nice thing for her to
14 do. Don't hold your breath on the end of May, but that's
15 the latest and best estimate.

16 Final contract details for Q2, it's at DGS. It
17 was signed by the chair this morning. We will need an
18 update -- or we will actually need a motion to give him
19 the authority to have signed, in full session, and then
20 we'll take that over, but DGS took it for review.

21 Typically, they require 48 hours, which would
22 have put us beyond the time for you to have a line-drawer
23 this weekend.

24 However, Office of Legal Services has done
25 nothing but jump, bend over backwards for us, and they're

1 working to have it in place by five o'clock tomorrow, so
2 that our line-drawer will be legal and in place.

3 The VRA --

4 COMMISSIONER DAI: Excuse me, Mr. Claypool, did
5 we not already provide authority by approving the wording
6 of the contract?

7 EXECUTIVE DIRECTOR CLAYPOOL: Actually, you had
8 a motion that provided the authority to sign to
9 Commissioner Filkins-Webber.

10 COMMISSIONER DAI: Ah.

11 EXECUTIVE DIRECTOR CLAYPOOL: And so we need to
12 transfer the authority in the motion.

13 COMMISSIONER DAI: We should next time say the
14 chair.

15 EXECUTIVE DIRECTOR CLAYPOOL: And the contract
16 status update for the VRA firm is really pending the
17 Commission decisions in that regard.

18 And we will have other anticipated contracts.
19 We're working very hard to get the statement of work for
20 the inline peer review process to you. Raul is very close
21 to getting it done.

22 We are going to ask that the Commission appoint
23 someone, again, to have the authority to review -- amongst
24 the Commissioners to review the final contract and then
25 the chair, the vice-chair and that individual allow us

1 to -- to put it through DGS to get responses to it. But
2 right now we just -- with all the other things that we're
3 going on, we didn't have the time to put all the contracts
4 in place for this meeting.

5 COMMISSIONER DAI: Okay. Well, the Q2 one's the
6 most important one.

7 EXECUTIVE DIRECTOR CLAYPOOL: We felt it was, we
8 felt that that's what you would want us to do.

9 COMMISSIONER DAI: You guessed correctly.

10 EXECUTIVE DIRECTOR CLAYPOOL: Okay.

11 COMMISSIONER DAI: Okay. Well, any other items
12 from Committee members, because otherwise I think we are
13 out of time.

14 COMMISSIONER YAO: When are you going to give us
15 a tour of the new building?

16 EXECUTIVE DIRECTOR CLAYPOOL: First of all, as
17 soon as they take down the signs that say it's condemned.

18 (Laughter)

19 EXECUTIVE DIRECTOR CLAYPOOL: But no --
20 actually, it's a very old building. As soon as they give
21 us access -- they won't even let us go into it and
22 they're -- I shouldn't have said that because the
23 Department of Energy occupies half of it, they occupy the
24 safe half. But it's as soon as we can get access to it.

25 COMMISSIONER DAI: Just don't say that people

1 are out to get us.

2 COMMISSIONER YAO: I was going to say, is that
3 in the communication protocol some place?

4 EXECUTIVE DIRECTOR CLAYPOOL: We'd love to have
5 you come see it and it's actually a quite a nice space, so
6 as soon as we -- it's so nice that that's where Governor
7 Schwarzenegger kept all of the gifts that everybody gave
8 him, including the big surfboard we wanted, but they took.
9 So as soon as we have that, we'd love to have you come see
10 it.

11 COMMISSIONER DAI: Okay. Well, I think that's
12 it, unless there are any members of the public who want to
13 address the Finance and Administration Advisory Committee.
14 If not, you can save your comment for the full body.

15 Seeing no one approaching, we are adjourned.
16 Thank you very much.

17 (Thereupon, the Finance and Administration
18 Advisory Committee meeting was adjourned
19 at 3:05 p.m.)

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