

The Judicial Council of California is the constitutionally created policymaking body of the California courts. The council meets at least six times a year for business meetings that are open to the public and audiocast live via the California Courts website. What follows is captured live captioning, formatted and unedited, of the last meeting. The official record of each meeting, the meeting minutes, is usually approved by the council at the next business meeting. Much more information about this meeting, the work of the Judicial Council, and the role of the state court system is available on the California Courts website at [www.courts.ca.gov](http://www.courts.ca.gov).

>> This is a continuation of our two-day council session. The meeting is now in session. As you can see, staff from the [ Indiscernible ] was able to put together an ability for us to have it publicly audiocast on our website with the microphones that are in front of you. That means that the traditional microphone attached to the boardroom interface here does not work, so you have to speak into your microphone. Also, understand for coughing, sneezing, or any of those, there is no cost but that works to meet these.

>> To remind council members that are reading our audiocast right with real-time captioning on the California courts website here and for the benefit of the council member Angela Davis was online it will be joining us in the online audience is speak into your microphones and address each other by name of that listeners and real-time followers can follow the discussion.

>> Portions of these meetings also are routinely videotaped for later broadcast and viewing for the company records website.

>> Before we begin our regular agenda, I have a few brief comments. Was there to legislative members confirmed also now comes the council now has its full complement of constitutionally mandated members. I'm glad that Senator Evans will remain as the Senate is represented. As you know, Senator Evans said much to advance the cause of justice as to where to raise awareness of our sister branches of government. I also welcome Richard Blum to the council. I look forward to collaborating with him on issues relevant to [Indiscernible ] the people of California. The Senate Constitutional number Senate Constitutional member created this Judicial Council back in 1926, and it was overwhelmingly approved by voters by a vote of more than two to one. The battle measures outlined in her duties for the council because of our new membership I would like to mention a few those duties now. The cults is the duty of seeing that justice is being rapidly administered. The duty of counsel is to propose a remedy for any complaint brought by any judge or lawyer, or lawyer, or litigant, or public citizen. Approves of the measure was stated to organize the court of the state on a business basis. We are, you know, a policy making body, a deliberative body. We have been referred to sort of as a board of directors. Our mission statement reads, under the leadership of the Chief Justice and in accordance with the California constitution, the Judicial Council is responsible for ensuring the consistent, independent, impartial, and accessible administration of justice. This year, we will meet to discuss our strategic planning process and very soon we'll have a report from the trial court funding workgroup. Our ongoing self-assessment will continue but we must also look to the future of our branch and the people of California that we all serve. The first item on our agenda this morning is approval of our minutes. Those are found in your notebook. We are approving the December 13 and 14 meeting minutes, and I believe also the January minutes.

February 26, 2013

>> Do I have a move for adoption?

>> I would like to turn.

>> Second. Seconded by Judge Herman. Any discussion on the minutes? All in favor?

>> Aye.

>> Any opposed?

>> Minutes passed. Next on our agenda is the Chief Justice's report, that the regular report to council on engagement and meetings and outgoing -- ongoing outreach to turn asked meeting January 17 and although it's only been 24 business days since our business meeting, it's proved to be a very busy and productive and I have to six personally rewarding months of it to release for me as chair of the Judicial Council and the Chief Justice.

>> The cautious optimism I mentioned at our last meeting has been amplified by my meetings with court representatives, system partners at the state level, the national level, and particularly my meetings recently with high school and law school students at a number of education and civics learning outreach events in February. I will say however that my cautious optimism has also been tempered by a very informative meeting with the Los Angeles Superior Court. Justice Miller and I toward the mental health children's and criminal courts as well as visited self-help Center at the family Mosk Courthouse. We witnessed tremendous war began by court staff under what I would say, by my observation are incredibly difficult circumstances. We also had a very sobering the briefing from poor leadership on one of our branches ongoing challenge and that is the budget. I thank Presiding Judge David Wesley and Assistant Presiding Judge Carolyn Jewel for devoting the day to our tour. I also attended the Governor's State of the State address, where he shares his optimism for our state and his focus on addressing the ongoing budget issues. I met with our branch leadership, that is the administrative presiding justices, the presiding judges and Court Executives Advisory Committee, the conference of work executives, and again budget was a major topic, but so too was the action and efficiency that is taking place around the state by innovative courts. Again, points made during all those meetings were also made in a public and videotape conversation with Mark Boulder at the Public Policy Institute of California. Our ongoing liaison meeting with justice partners has continued and I met along with others with the Consumer Attorneys of California and California defense counsel in the Criminal Defense Bar. The focus and intent of all these meetings remain the same, and that is improving access to justice. I was also pleased to attend the Napa Valley legal aid pro bono recognition event, where local attorneys and volunteers were honored at a national level. I visited the National Association for Court Management conference in Los Angeles, which had a significant California delegation. California is quite a leader and the conference of work managers, and I also attended the conference of Chief Justices meeting where among other engagements, I was pleased to be a panelist on the discussion about how we can string that our justice system and I chose for my topic California's classic of course the wonderful work done by all the trial courts and process dates in various efforts to meet the needs of their community. February became, and continues to be, education outreach into the

February 26, 2013

coding must. The Supreme Court held a special oral argument at the University of San Francisco School of Law to promote the Centennial. The session was attended not only by law students but also high school students from Balboa High School and Thurgood Marshall High School here in San Francisco. I also visited Sutter Middle School in Sacramento and, with Justice Miller, the liver in college of law in Ontario. Students from Sacramento CK [ Indiscernible ] high school, my alma mater and the Law and Public Policy Academy, visit the Supreme Court oral argument session here in San Francisco, and I had the opportunity to return the visit to both Balboa High School and [Indiscernible ] high school in their law academies. I was impressed by the students. I was impressed with the teachers. I was impressed by the legal community that supports those academies. I think that the learning model there offers students a full list of opportunities and ways to view the world. Civics education strengthens their democracy and it also offers the student a pathway to a profession rather than what we know is the pipeline to prison that is mapped out when students become disengaged and suffer expulsions. Also when I want to point out this Thursday, the last February this month, I look forward to her civics outreach summit in hearing from retired Justice Sandra Day O'Connor was agreed to. As to speak at that event on Thursday.

>> I also had the pleasure of presenting the AOC service awards to the great, dedicated AOC staff that reached service milestones and finally, it was great pleasure special in these difficult times to meet with the newly appointed judges during their in jail orientation. I hope to have many more those meetings to see those folks get involved with their administration of justice with the get the feet on the ground and terms of corporate report. That closes my report to council. We will now proceed with reports from our other chairs, starting with the director's report.

>> Thank you, Chief, and good morning council members. The written report that you have before you in the binder sets up the activities of the administrative office as well as advisory committees since we last met in January. As I highlight, I would like to observe that we had a very useful and successful hearing convened by the Assembly Judiciary Committee on February 12, in advance of which I met with Chair Wieckowski and Vice Chair Wagner. The hearing was set to assess the justice crisis particularly as it relates to family courts on an icon of the budgets which we are all too familiar. Judge Slough, the presiding judge, Judge Earl, both as her courts [ Indiscernible ] in Sacramento in the standing advisory committee give evidence that Jack Clark the executive director of Los Angeles and I spoke as well as long -- along with members of the open court coalition the public bar, the interpreters, reporters, representatives of County and city governments and while this group only met walked into the hearing room. The message was starting late unified and that is essentially that the general fund reductions to supporting the judicial branch is so severe that the impacts of the material and obviously extraordinarily negative especially as it relates to children and families.

>> The leadoff witness was Treasurer Lockyear, who everyone knows was treasurer at the time of the Trial Court Funding Act of 1997, and at the center of that reform issue. His name appears on the act itself. He urged that we not speak with divided voices and he indicated when you take one third of general fund support away from an institution you can expect you are going to have a serious crisis. He urged as a possible solution the reinvestment of general fund dollars in the branch which certainly was a message that we carry forward, and it was most fortunate that he began the hearing on that now. The hearings actually lasted up about 4.5 hours. Most all the committee

February 26, 2013

members remained for virtually the entire meeting. They were engaged and I think they are definitely concerned and aware. There was very little in the way of dissension, if any at all. It appeared to me that all the committee members were firmly aware of the message had certainly penetrated that the judicial branches of the state of fiscal crisis and is having actual on the ground impacts on the users and customers of the courts, which as we discussed in previous times is really the way by which we can most effectively illustrate problems so that we can begin to work on solutions. Especially vivid were testimonials relative to the impacts of foreclosures are planned court closures in different locations. Particularly jurisdictions like San Bernardino which are geographically massive and essentially result in the withdrawal of the justice system for whole communities.

>> There was not anything that came forward in the hearing, that indicated to me, in other words, that there was any real serious controversy about the fact of the problem. It also appeared to me that we have a welcoming institution and the legislature insofar as the proposal solutions are concerned, we don't have a barrier of demonstrating that indeed this problem exists. Following the hearing, obviously the Office of Governmental Affairs has continued with court meeting our action plan of outreach through the Bench-Bar Coalition through active see of its own with continued coronation with the open court coalition attorneys , the Chief, as you mentioned have conducted reify if I meetings with the criminal defense bar, the district attorneys, the plaintiff's personal injury and civil bar and the defense part of the civil side as well. All of which among other elements have discussed the huge impact of the budget issues on their clients, and their particular areas of practice. Now I think we are in a position where we can move forward with the executive and legislative branches as we discussed yesterday.

>> Was important for work that is ongoing great now relative to the development and allocation methodologies that we can deliver on expectations with the legislature and the Governor has set out for us. Number of additional materials are in the report which I believe to for your reading. Should mentioned you that these compilations that appear in what's called an administrative Directors report a really handy summaries for your use in the event you have questions from constituent judges or others and what kind of direct services has the Ministry of office provided for courts . What kind of activities has been ongoing with all the advisory committees, task force and working group. It's a helpful one stop place to go for that kind of information and I certainly committed to you for your review and consideration. A few of the highlights. Our [ Indiscernible ] staff has now met with all 39 legislators and staff to discuss the role of counsel, the council legislative advocacy, Judicial Branch Contract Law budget issues, as I mentioned Olga is coordinating outreach efforts through the Bench-Bar Coalition , ably cold chaired by our own Judge O'Malley. And the bench bar members have invited to serve as legislative liaison to new legislators as well as members of the executive branch. Those members have also signed up for day in the district visits. To legislators and home offices and Olga is also coordinating the coalitions date in Sacramento in conjunction with the Chief State of the Judiciary address which is now scheduled for March 11th, the [ Indiscernible ] on that date was the date visiting with legislators and key fiscal policy many members. The previous Friday, February twenty-second with the deadline for the introduction of new builds for the 13, 14 legislative session, we are now in the process of analyzing legislation that's been put in. Olga has seen to it that legislative authors have been identified for an array of efficiency reforms which are proposed for consideration and will be reviewed further and to take --

February 26, 2013

detail by policy early and March. The Department of finance has agreed to carry and trailer bill language, a series of 10 of those efficiencies directly. I would like to again commend and congratulate Cory and Teresa for their stellar work as our new leadership team at Boca , they have assumed a seamless transition and we're fortunate to have them as our advocates and the capital. I will be speaking with you later during the meeting about three particular AOC restructuring initiatives which are before you as action items regarding a classification compensation study, the remote worker telecommuting policy, and also the review of the use selection and management of outside counsel and litigation program , and I will defer further discussion on that, obviously to those but the time. I do think the division chiefs as well as the AOC Directors and their management staff and employees for their continued devotion to succeeding in the restructuring process.

>> Thank you, Chief.

>> They do, Judge Starr.

>> Next we will hear from the committee chairs and judicial councils starting with Justice Baxter .

>> Thank you, Chief. Good morning members of the Council. The policy committee met twice since the last report. [ Indiscernible ] gave it the December council meeting. At the January 10 meeting, the policy committee, at the direction of the council at its December 14th meeting, we considered and revised its prior recommendation to seek sponsorship of the third set of 50 judgments. And funding of the already authorized second set of judgeships is one of its key legislative priorities for 2013, recommending instead to deferred counsel sponsorship of new judgeships for 1 year. And as you know, the policy committee's recommendation on this issue was presented and approved by the council at its January 17 meeting.

>> The committee also rescinded its November 29, 2012, recommendation, that the Judicial Council sponsor a legislative proposal to accompany a role for proposal, adopted by the council in January 2013. Which would establish a private project authorizing trial courts to conduct remote video trials in cases involving violations of traffic and compulsory education laws. The policy determined that a legislative proposal, an and addition to the role of court was not required . Further, the committee determined that a legislative proposal would be more appropriate after completion of the pilot authorized but the newly adopted rule of court. When the bridge could evaluate how the lessons learned from the pilot should be incorporated into existing statutes. On February 14, 1 piece of legislation was approved for counsel sponsorship. That legislation dealt with modernization and improvement of statutes on trial court records management and retention. The committee heard a presentation by Bench-Bar Coalition cochairs , Judge Marianne O'Malley and Raymond Aaron on Bench-Bar Coalition objectives for the upcoming legislative year. I might add, that as to the sponsorship of the modernization and improvement of statutes on trial court records management, we had the privilege of hearing from Allan Carlson, and also Kim Turner , who joined us on the call in support of the action taken.

>> The legislative deadline to introduce bills was Friday, February twenty-second, the Office of Governmental Affairs -- affairs staff is reviewing all bills introduced by legislators. Including, I

February 26, 2013

might add, CJA's Bill. I understand that Bill did find an author and has been introduced. Olga will be fitting that bill as well as all the others. Should identify those of interest to you and with impact upon the judicial branch. The Office of Governmental Affairs has secured legislative sponsors and introduction of several bills which encompass the council legislative priorities XO future reports, I will keep you informed of the progress of the council sponsored legislation -- [ Indiscernible ].

>> Next we will hear from Executive and Planning Committee Justice Miller.

>> Think you, Chief. The Executive and Planning Committee has met seven times since the council's December meeting. By e-mail, telephone, and in person. In the course of those meetings, the committee set the agenda for the February 25, 26, 2013, Judicial Council meeting. As part of the agenda setting, the committee consulted with Judicial Council members who served on the strategic evaluation committee to reserve their assessment of the readiness of reports on the implementation of judicial Council directives regarding AOC restructure. It was indicated by Judge Charles reports include item zero and vendor options for conducting an AOC classification and compensation study, item P-letter a proposed amendment to the AOC policy on working remotely, I them to an independent review of the youth selection and management out of the council and then information one is the status report on implementation of it initial accounts directive on the initial restructuring I think interesting to note there are two items on the contestants that deal with the directly with the impacts of the budget. Just want to mention those on the consent that item C is temporary suspension of case management rules and item G which is the application to establish remote video proceedings or behind let project in Fresno. Although behalf of the council, the committee acted on one request from the Superior Court of tell for now, County of Riverside to confirm the conversion of a subordinate judicial officer position to a judgeship. EMP joins group row in the council's technology committee for today meeting in January to review our current structure of existing traditional council advisory bodies, clothing advisory committees, task forces working groups, and subcommittees. This is part of a council initiative to evaluate the opportunities for consolidating computing activities, strengthening council oversight and reducing the costs associated with committee operations.

>> This is one of the governance initiatives that the council members identified at its June 2011 planning meeting in which EMP formally recommended to the traditional council of August 2011 meeting. The Judicial Council addressed many of these 2012 governance issues immediately opening educational meetings to the public, relaxing the council's role about public meetings in creating liaison programs were council members establish connections with the courts and offices of the AOC. Some of these initiatives like the review of advisory bodies to considerable effort of many council members as well as their advisory groups. This initiative was launched in November of 2012. The goal of all these governance initiatives is to improve the council's oversight and accountability for the AOC and have greater information in order to better set priorities and direction for the judicial branch. The Judicial Council advisory group review the multistep process . In December 2012, EMP and Grupo members developed luminary recommendations for dozens of the council advisory groups. In late December these preliminary recommendations were provided to the chairs of the council standing by three committees and task forces . These groups wordy scheduled to have their annual meetings with either EMP or pro members to discuss their annual agenda. And other their work plans for the coming year. All council members in this process

February 26, 2013

therefore received and will consider the big picture regarding the council's advisory groups and more advisory groups were added to this year to these combines comprehensive annual agenda meetings. All invited chairs were able to discuss the preliminary recommendations with the council members at the two-day meeting in January, EMP, RUPRO and the technology committee members were extremely impressed with the committee and impassioned volunteer judges and attorneys from around the state who give their time and expertise for the benefit of the branch and the improvement of the administration of justice. We discussed with each advisory group chair, the groups function, purpose, projects, research needs, and our preliminary recommendations next much EMP, RUPRO and that committee members will then need with the information we have gathered from the committee chairs. We went to develop a recommendations to the Judicial Council, likely to come at its April meeting regarding reorganization and improve governments for the advisory groups. We also have proposals on how an advisory group creates a sub group, how it obtains staff and resources towards projects, and how changes in the number of members may be made.

>> The written report on the 145 judicial County directors on E -- AOC restructuring appears in information item one of the meeting agenda for today and includes the status report for all 145 directives. In the activity reporting and for postal forms, containing detailed information on the progress and accomplishment of the specific directives for council.

>> This is the third report on the AOC implementation records since the council approved the directors on August 31, 2012. The last report was provided at the December council meeting. Three restructuring directors. On the council's agenda for today, as I had previously indicated.

It should be noted that this meetings discussion of vendor options for the classification a comp patient study is preliminary to the process for company the study. There are several directives tied to the completion of the classification and compensation study that included top billing -- timeline report to the council at this meeting. This will remain outstanding and to the classification and compensation study can be completed and the council makes make the expected decisions on those results. In addition to the restructuring that occurred on October 3, 2012, the administrative director has reported that recent comments received by the council, at the October 20, 2012 -- 2012, council meeting effective February 21, 2012, the AOC's internal audit unit services reporting structure has been changed and this unit now reports directly to the Chief of Staff and the Judicial Council and court leadership services division. This restructuring occurred to ensure appropriate separation of the oversight of audit functions from the other two AOC divisions that may potentially have activity subject to audits. In interest the interest of time, it is not possible to review the details of each of the 33 at the reporting and postal forms in the implementation report. However, there are several activities I would like to highlight since December. These relate to functions performed by the fiscal services office, the Center first family, children and the courts, the legal services office and the Center for judicial education and research. And I just want to mention a couple. In response to two directors, director 53 and 72.1, regarding the consolidation and research efforts specifically between the center for families, children and the courts , and the court operations and special services office, the administrative director reported that the number of AOC employees informal research classification has declined and to improve the efficiencies and effectiveness of research, all research analysts currently at the AOC been consolidated with -- within one division.

February 26, 2013

Additionally, a formal protocol for managing workforce reductions in staffing and current and free search research projects is being prepared for the info council meeting. The administrative director reported that CFCC has implemented a directive 56, which improves and involve an effort by CFCC to reduce to an absolute minimum staff and funds used on print, publications but making this information available through the website and other electronic means. In response to director 59 relating to postal forward organizational plan for CFCC, that allows for reasonable servicing of the diverse programs mandated by statute and assigned to this division, the administrative director provided a new organizational plan for CFCC that refocuses on mandates and core services in six areas . Family, juvenile, collaborative justice, mental health, self-help, -- access to justice a tribal and state court programs. Again there are a number of others they recommend that you review. Directive 72.2, 86108, 115, and review all of the efforts that have been undertaken in that regard.

>> And then, Chief, at the end of the comments and reports by the different internal chairs, we have three reports from council members who have made liaison visits. Judge Lori Earl, Justice Judith Ashton [Indiscernible] and Alan Park Haskell. There will be ready to make those reports.

>> Thank you. Please proceed on those reports, Judge Earl.

>> Thank you. On February 1, I traveled to the Yolo County Superior Court and met with Presiding Judge Steve Basha and their judicial officers there. I believe they have 12 judicial officers if my math is correct and most of them were at our lunch hour meeting. They were interested particularly in hearing updates and talking about things like the budget, of course, and I found they were interested in learning about the trial court fund working group and the funding methodology subcommittee of the tropical court budget group and a fight sometimes folks have a faculty distinguishing the difference. So we talked about the makeup of each of those working groups in the charge of each of those working groups and specifically what the subcommittee of the trial court to group is working on. There were also interested in the proposal by Fresno to allow for a remote video proceedings in traffic cases. I have a new courthouse project that is in the works and we talked about that and I was able to view the photos that their presiding judge so proudly displayed.

>> They had two suggestions that they asked that I bring back to the council you want to share with you. One was they recommend AOC staff members of working groups or advisory committees that into relate most directly with the trial court's consider visiting the trial court and learning more about the operational aspect of the things that the trial court to do. They thought that would be helpful education for AOC staff and also helpful for them to have access to them when they make those visits.

>> They also asked in light of the fact with reduced resources and reduce support staff, they find it difficult sometimes to take advantage of the training opportunities that exist and other parts of their County, so they asked that feature consider not only videotaping all the trainings but then uploading them all on ceramics but also perhaps doing lectures over the lunch hour that perhaps her transmitted via Skype or others videoconferencing. They are finding it ethical as most of us are getting away from our court and taking advantage of that training Emily J think is very important like to see other means that it's delivered to them. That is my report.

February 26, 2013



>>Take you, Judge Earl.

>> That the fifth report.

>> Of February 7, I stop by both Bishop and independent courthouses and annual and then had a lengthy discussion with Judge Stout on server 20.

>> I would really like to focus on the good things about this branch that sometimes we overlook. How lucky we are to have people like Judge Stout working with us. While he was in Bishop, he contributed an amazing amount of time to this branch. He cochairs the Family and Juvenile Advisory Committee. Is on the domestic violence task force, the blue ribbon [Indiscernible] the trial budget working group in the PJ advisory committee and I'm sure I missed a couple of movies that he works with. And of course the Center for family and children services is where his heart is. It is no small feat considering that he does live in Bishop.

>> He says during the winter getting to a meeting in San Francisco can sometimes be a three-day event. If you are lucky, during the winter he might be able to get a flight to differences go rent LAX and then transfer the San Francisco but that's only if there is not a storm and mammoths. The summers easier he can come over Tioga Pass and then only takes about seven hours. So I just want to let him know a much we appreciate his time and of course Tammy's time on behalf of the people of the courts of the state. Moving on to the issue of facilities, which we are not going to focus on too much because I know that Judge Moss talked about his facilities in Inyo, the calendaring is computed issue for them because of actually a limited number of lawyers in the area. So he and Judge Lamb have to do juggling at between Bishop and Independence. Matters to make more difficult is there's only one courtroom in Bishop. So keep in mind Inyo County is geographically the second largest county in the state and the third-largest in the nation, he tell us me.

>> Independence is where the jail and juvenile detention center are located so those cases can only be heard and Independence. Obviously their goal would be to have adequate court facilities in both Bishop and Independence. By the way there is no ADA [ Indiscernible ] there is no elevator access to the second floor there. Like many courts have budgeted and saved about 1.5 million in their reserves that plus a construction money would've allowed the construction of a modular unit adjacent to the County jail and independence that could then have connected to the jail which would've saved a lot of time and money . With the expected budget he thinks he may lose 37% of his court staff and only have 21 employees now. During the mass -- doing the math the result would be devastating. There try to re- scope the independence project. They would like to have a court room large enough to do criminal cases and one large enough to pick a jury.

>> With the budget cuts, they as other small courts have become much more independent on AOC. And they are impressed with the quality of the services. This is the same, and I brought back from Ventura and also from mammoths. Specifically, Judge feels office of legal counsel and HR are exceedingly invaluable . The one comment about seizure which is interesting considering what Judge Earl just talked about, he thinks that [ Indiscernible ] does a wonderful job but his regret is that the Calc on my Institute has had to go from every year to every two years. He said that had

February 26, 2013

really become one-stop shopping for them . Since he and most of the judges and small courts are generalists, they've got to say proficient in all case types and he really felt that CalComp youth Institute was extremely helpful. On top of everything else as was mentioned yesterday but some people, they are having some systemic problems of in the criminal side similar to what was happening and Riverside. So as a result they are experiencing a surge in the number of jury trials because settlements have become more difficult. And so he comments that the assigned judge's unit is been invaluable to them. He and Judge lab can keep the calendars moving and they can stay involved in the cases but an assigned judge is called in to handle the jury trial and that the lifesaver.

>> Another topic I wanted to just mention, again the positive aspects of what we do, we really have to recognize that the courts creativity when it comes to the area of family issues. As many of you none the medical field they are revamping their focus and trying to be more presented of and follow patient before hospitalization and then following through with aftercare at social workers. Judge [ Indiscernible ] is doing something similar with family issues. He's trying to adhere to the concept of one family one judge. He understands the need for the judge to know the family Damman it was a dependency, delinquency or dissolution P-letter and Judge Lamb are really sensitive to the geographic problem and they try to keep the commute time for the litigants down to a minimum. He said to liquid to cases in the late afternoon so they can reduce absences from school for kids that are still in school. Finally he would like to commend the new culture and the transparency of the Chief and the Judicial Council, he says please let's not forget valuable programs oh and services that benefit the citizens of the state and I just want to thank you, Chief, and Justice Miller for establishing this liaison program. I think it's an eye-opening visiting the courts around the state and I hope everyone gets the opportunity to do it in the near future. Thank you.

>> Thank you.

>> Jarred Hardcastle.

>> Thank you, good morning, Chief. Members of the council. On February the eighth I was fortunate enough to go up to Ukiah and visit [ Indiscernible ] come a County we're at practice and was reminded that small counties don't mean small cases. In fact, 18 years of practice the most complex civil case I touched was then you'd in Mendocino County . It took a long protracted time and sell for millions of dollars and had it been tried up there it would've tied up a court for years. So small counties just don't have small cases. I was able to meet with almost all of their clerical staff and with eight sitting judges and again, they are very enthusiastic about having someone from the Judicial Council come and see their court and visit.

>> Their building is architecturally challenged. At the five-story building. The elevator only stops the odd-numbered floors .

>> And that are two of their high-volume calendars, small claims and traffic are the second for and there is no elevator access . If you are not able-bodied, you don't have a case in Mendocino County. It is a real challenge. They of course, are on the list for projects , there one request about the AOC is that they would like to be more proactive in helping them obtain the site because they've got about four sites is one is a first choice that they would like to have but there are other people that

February 26, 2013

would like to have it because it's right in downtown Ukiah . So they would like to help the public in that regard. Was in custody defendant they could only bring six at a time because aim to bring the minivan, awful them in the street, and bring them past the jury assembly room and then put them on an elevator to bring them up to the courtrooms and then they take the six back , they have to wait, there offloaded and bring another six and in they come. Of course like all small copies have a variety of cases in you are all going to think I like the road cases but Judge Henderson had a cow in the road case is very next case with sitting Opryland for premeditated murder case. They do have a Friday of cases. Unfortunately, because of the budget cuts they do not have a research attorney, appropriate assistance, a guardianship investigator, an auditor am a human resources manager and assistant court executive officer, or a jury services coordinator and the judges do not have a legal secretary. They prepare other stationary, they call their own letters, make your own appointments and handle all of those things. One very peculiar problem for Mendocino counties is health insurance. They are part of a very small pool. They can only get one carrier because of their geographic location. There 5 miles outside the range of Santa Rosa's Kaiser. They have had five catastrophic claims mostly by dependence or because of that their insurance premiums now consume 40% to 50% of their paychecks. Kieren Downing, the CEO said if she were to hire , they are not hiring, but if she were to hire a clerk one, and the clerk one paid for dependent coverage and paid fully into her -- his or her retirement, at the end of two weeks they would receive a paycheck for \$0. Everything will go to taxes, determined and health insurance so they would help -- they would request help from the Judicial Council to assist them to be part of a larger insurance pool. Right now they are partnered incredibly with some firefighter group of Los Angeles which of course have some large claims as well. So they would request that assistance. 120-year employee dropped her health insurance so she could get Medi-Cal. One of the court managers works three jobs . Her court manager's job, she works as a waitress, and a restaurant and also works at a local winery so that she can pay her health insurance premium . One of her family members was one that had the catastrophic claims . Because the cutbacks all staff are covering two to three desks and they said frankly they are very tight unit. They feel they are family and Mendocino County and if they were not many of them simply leave. Of course, like everyone else their self help centers have been cut and that leads to the problems with the papers not being prepared completely or properly . The court has one Spanish-speaking interpreter for the entire courthouse so that person is constantly on the run. Unfortunately they had to laugh their jury commissioner recently put them with the court for nearly 20 years. There is a 10 month lag time on the reimbursement for the 1058 Commissioner so they felt the 1% maximum fund balance would frankly send them into receivership. But they are working as hard as they can work they appreciate a face, even if it's mine from the Judicial Council coming up and seeing them and look for to further contacting and in the future. Thank you, Chief.

>> Well. I think other printed circuit of the Judicial Council not only for going to their liaison courts both bringing back these really graphic stories and I cannot tell you how spatial Siam to hear the conditions. These reports stone and here. Steve has been taking notes, I know Jody is not a airhead. I do with a follow-up call to these courts, not from you but now the AOC staff knows, the management level knows, what is happening in these counties that we contact them and see if there's anything that we can do to provide life-support. These are stories that need to be told because they are not heard, necessarily regularly and Sacramento where these kinds of decisions are being made that could remedy this. I'm astounded and sad and at the same time really amazed

February 26, 2013

at the spirit of the folks there who are doing their best. All to serve the public. And clearly, not personal gain.

>> It's tough to stand up for these folks. They are cheerful as they are telling me stories. They are really devastated out there.

>> I hope that this talk of the Judicial Council reports gets reported card -- far and wide in the media because it is important to let the public know what's going on behind the scenes and that we can take this to the capital as well as callback to these communities to help in any way we can. Thank you.

>> Next we will hear from justice [ Indiscernible ] from the projects committee.

>> Thank you, Chief. For I give the RUPRO report. I just had for Judge Hardcastle a new report which is saddening , at the very least. You know whether or not the presiding judge or judicial officer or others have made very plain to their local representatives in the legislation are just of the effect of the cuts on their court here did that come up at all?

>> Yes it has. And actually have two very good advocates and West -- West Chesbro is there a similar member and [ Indiscernible ] and two good friends of the judicial branch and they work very closely with him. Both Mr. Chesbro and Ms. Evans have been there to visit their courthouse.

>> Thank you. I just thought and the thought has occurred before but I personally think it's very important court, by court, that as the hardships such as those that you have described take on a daily aspect and a personal face that the courts not only working with us and the AOC and all the people who are trying to solve our funding problems that they're making it plain to their legislators exactly what these funding problems mean. Day, by day, by day. That's good to know. Figure.

>> Thank you, Chief. As far as the RUPRO report, the Rules and Projects Committee has met four times since my last report to you on December 4. The committee met once by phone on December 20 to consider a proposal that circulated for public comment on the special cycle. The proposal for public project authorizing remote video proceedings and traffic infraction cases which originated with the request as we know from the Fresno County , which we also know has recently been compelled to close several court facilities because of budget reduction. And response to the comments the proposal as you recall was modified including a modification of eliminating a role in forms authorizing remote video pilot project in compulsory school attendance law proceedings. This item was approved by the council at the January 17, meaning. RUPRO met by phone on January 9, to consider request to circulate on an urgent basis , proposal to amend on a temporary basis the civil case management walls to give courts the discretion to exempt certain types or categories of general civil cases for the mandatory case management walls including mandatory case management conferences. Cases that are exempted must be specified by local rule and the proposal is adopted will be effective only until January 1 of the year 2016.

>> This proposal additionally did -- originated with a request from the Superior Court of was Angels County on the supported by the Superior Court of Sacramento County seeking relate

February 26, 2013

naturally from the current case management yield applicable to general civil cases during the fiscal crisis that we now face. The Rosen project committee approves circulation of this proposal. On January twenty-second, and twenty-second -- and twenty-third, RUPRO the executive planning committee and the technology committee met to review the annual agendas of advisory groups and on other matters which of the detailed justice mortal -- Justice Miller which I need not repeat in selling the organization of committees task force -- taskforces workgroups and the like. Most of the annual agendas were approved at that meeting and others will be considered at a meeting of the internal committees on March 11. RUPRO finally met by phone on February 13 to consider from several proposals including revisions of criminal jury instructions, proposal to load suspension of mandatory if management walls which I'm just refer to and certain technical amendments. RUPRO recommends approval of these proposals which are items A, B, C-letter, and D, on the consent agenda. Chief, that report -- concludes my report.

>> Thank you, next we will hear from Judge Herman on the Technology Committee.

>> Thank you, Chief.

>> I would just add in response to the report regarding online resources for siege or education that are significant online resources for court uses including videos and interactive instructions firstly all areas of judicial education as well as the -- as well as clerical staff education. There are additional resources out there and part of it is getting the word out to the trial courts that these resources are out there. TCPC has helped three telephonic meetings since January meeting, the January 28th meeting includes a review of the King County superior court request for supplemental funding for case management system which we will talk about in more detail later in which is on the discussion again get -- agenda later today. Object applications in semi annual reports for the remote video proceedings, project an update including the status of the Sacramento hosted case management system request for proposal development the trial courts, technology working group , the [ Indiscernible ], not an easy acronym . The technology planning task force , the court technology advisory committee and the streamlining of technology government which we are working on along with RUPRO and E&P. The February 5 meeting again refute the Kings request and that [ Indiscernible ] it concluded that the Kings application for emergency funding should be approved by the council and that's again a discussion item later today but we also recommended that certain conditions which we will also discuss in the February 13th meeting reviewed the Fresno court specific applications to preserve -- proceed with remote video and traffic cases and we anticipate there will be a significant number of courts that are going to be interested in that progress to go forwards we will be reviewing applications is a common the JC TC reviewed and approved the Merced courts request for a limited number of hours for AOC staff to support and assist Merced with their sustained justice addition interfaces and the approval was for about 20 hours of AOC information technology services organization staff and we concluded that at that level there should be staff decision-making in terms of that kind of level top of the courts without going through a JC TC. So we did agree to allow staff discretion up to 50 hours of staff work to help support the trial courts.

>> The judicial branch technology initiatives working group again for the past six months, the trial court's technology initiatives working group, which I will just refer to after this is the working

February 26, 2013

group shared -- chaired by Judge Moss has been working by four work streams is importance to the trial court. The work stream child for an RFP for trial court management system resulting in the work of vendor master services agreement or use by any trial court , multiple individuals from 15 courts purchase a paid it in this effort . The E filing work stream charge was developing and E filing playbook to assist trial courts planning on if file systems upgrades . The V2 V3 maintenance and support work stream charge with developing recommendations for future governance enhancements and maintenance of these interim case management systems and the V2 and all these records have participated in this effort and Alan Carlson has led this particular effort . The technology, vision and work stream charge with developing recommendations for the future of branch technology . The workstream really represent effort from the trial court CIO CEOs and judges volunteer to assist JC TC and answering another of cancel directors including the need to assist and partner with the courts on technology CCMS and these efforts have been at no cost to the branch except for AOC staff efforts. So it's remarkable elaboration and volunteer from the trial courts and these recommendations, by the way will form a part of the basis for the work of the technology planning task force that I will talk about later. I much one, the TCD I DRG will host a WebEx meeting working group, will host a WebEx meeting to review the final reports and recommendations of the work streams as well as a the report of the sustained justice addition passport consortium and all trial court presiding judges, court executive officers of CIOs have been invited to participate and there's already significant interest in this WebEx. So my congratulations to Judge Moss with over a led the effort to Bob [ Indiscernible ] with the CIO and David Yamasaki scored and thank you, David for donating Ron's efforts and services to this effort, and he is also going to be a leading principle and the technology training task force. At this point I would like to talk little bit work in detail about the RFP effort in particular. That death development of the RFP awarded master service agreement on February 4, 2013, to 3 top vendors was initiated by the California information technology managers forum, [ Indiscernible ] is a joint effort among the superior courts and leverage court resources to obtain case management systems. I might say that [ Indiscernible ] really is an independent group that really was grassroots grass-roots Intel started by the CIOs of the state . The Sacramento and Santa Clara Superior Court took the lead of sponsors and thanks to both of those ports and to Judge Earl and Sacramento, in particular, Sacramento will host and maintain the master service agreement and I want to emphasize because there's been some common about this that the courts -- all 50 courts are free to conduct their own solicitations not connected with the RFP or any resulting [ Indiscernible ]. This effort does give leverage and help free services essentially in terms of a free leg up in terms of entering into master services agreement with the three vendors that were awarded . And although Sacramento is the hosting court for RFP, RFP template was leverage , I love the way we use leverage was leverage from the National Center for State Courts state management system templates. The San Luis Obispo RFP developed by information technology service offices in the CCMS before standards. So [ Indiscernible ] staff provided administrative and logistical support. Congratulations again to those working on this collaborative bench wide effort, especially the work stream sponsors , Heather pet CIO Sacramento, Robert [ Indiscernible ] Santa Anna and our own information technology staff for the initial art PF and the administrative support and all the logistical support of this effort . The technology planning task force .

>> Justice Miller has asked me to bring the council up-to-date on the on the technology planning test horse we had members recently appointed by the Chief. But reserve the background.

February 26, 2013

>> After the council terminated CCMS last year, the council charge the JC TC with developing first of all an approach and vision for implementing technology that serves the trial courts, litigants, attorneys, justice system partners, and the public well considering available resources and technology needs. Second, the judicial branch court technology governance structure that would best serve the implementation of technology solutions, otherwise included in the recommendations and strategies to assist trial courts with existing critical need case management systems. The council has made it clear by the way that these efforts were to be a partnership and collaboration with the courts. The JC TC has undertaken a number of steps to implement the councils directors including circulating the need survey, the technology need survey, 1258 courts and by the end of August we received detailed responses from 15 responding courts , establishing the working group and supporting its work stream efforts and hosting the branch technology Summit which was held at the end of October. 70 courts -- so decor representatives were in personal attendance at the summit. There were 60 websites with multiple persons attending the webinar. For pollens and each side as I said posted out to attendees.

>> The survey, revealed that six courts have indicated as of late July and August, six courts indicated the need to replace the case management systems limits in this fiscal year. 20 two courts will need to replace one or two case management systems within one or two Job five years, 16 courts are in discussion with vendors to replace the current case management systems. 35 courts are registered in participating in trial court consortium to collectively negotiate contracts with private case management vendors. 33 courts expressed an interest in AOC implementation assistance with e-business services, 38 courts expressed interest in AOC negotiating branch wide license agreements , a majority of the courts believe the Judicial Council should set technology standards for the courts and the courts believe Judicial Council should determine how the funding of technology projects will be secured . Courts want to be involved in the development of the bridge by technology strategy and electronic act as no surprise, electronic access and exchange of information was service most identified as important to the courts into stakeholders.

>> So in broad strokes, the combination of the survey results and input from the technology Summit as well as numerous informal interactions with the courts including the JC TC's presentation to the PJs last month . Demonstrates of the courts are eager to take advantage of e-business practices in order to better serve the public and stakeholders in a budget climate where we are not constrained to 1% for local fund balances and 2% branch loan balances. S new line yesterday, the IMF, improvement fund is currently funding branch level support for core technology vital to the trial courts. Examples being LAN and this year the Phoenix financial . This fund is rapidly being depleted and will zero out to fiscal 1415 this lack of 15 authority impacted those courts faced with feeling case management systems and without fund balances to support projects order -- over and above the day-to-day operations, and kings will be the one we address this afternoon. At the summit and during proposed summit meetings the executive branch court technology agency made it clear there will be no additional funding for technology including to the budget change proposal process without addressing technology planning and governance with bottom of the plane from the court. Accordingly, in late December, the JC TC pros the establishment of the technology planning task force focused on one place technology planning governance and funding. The Chief appointed the task force members earlier this month. I might

February 26, 2013

say the formation of this group is in line with what we've been talking about at the RUPRO and PNT CTC level in terms of a policy . A number of different commissions, committees and task forces within the branch have been focusing on these issues and the idea of this task force is to first of all but that all these efforts in one basket . Secondly, give my drafted timeline, a one-year timeline to complete the process with the sunset so that this task force stops in a year unless extended by the Judicial Council. The task force will report directly to JC TC into the council and it is a charge with a competent specific tasks and very specific charge , specifically in the task force is to work collaboratively with the courts and stakeholders to define judicial branch technology governance in terms of statewide versus local decision-making and funding. To develop a strategic and tactical technology plan across all court levels that provide the vision and direction for technology within the branch and probably most importantly to develop recommendations for stable long-term funding sources for supporting branch technology as well as delineation of technology funding resources and one of the BSA criticisms, by the way, regarding [ Indiscernible ] technology has been lack of stable funding. Stable funding really is critical to separate.

>> As part of the effort, the task force will leverage the survey results and summit output and the recommendation of the recently completed work streams.

>> The membership of the task force's designed to probably representative of branch constituencies. Task force membership includes representation from the trial court presiding judges advisory committee, the Court Executives Advisory Committee, the [ Indiscernible ] working budget group, through the members on the [ Indiscernible ] working group. The California information technology managers forum, the independent CIO group, an independent group of core technology officers, the private sector technology bar, the courts of review, and one of the members of the former president of CGA any guesses?

>> The Court Technology Advisory Committee and the Judicial Council Technology Committee included in the membership our judges with technology experience, both as chairs at their local technology companies and experience at the branch level, quarter minister at her school of all received major technology projects including the central district see filing system and court information officers with private sector and court project management experience as well specific experience in leading technology strategic planning and training. The courts of all sizes are participating including our largest Los Angeles one of our smallest, performance, members and their representative capacities will be required, and I will break -- emphasized that to seek input and report back to their c constituencies. Essentially this is up award [ Indiscernible ] steering committee that nevertheless will be connected to all the consistencies and stakeholders and we will of course consult and seek input as we go along and support from stakeholders inside and outside the branch. The task force held its first teleconference wingless week and tomorrow we will produce -- participate in a six our face-to-face meeting . Probably our only this place because of budget constraints until much later in the process. Just let me finish by stating that our works are challenge it by limited and dwindling funding for technology. The trial courts operate the feeling case management systems and with greater than ever need for either link, e-business practices and E Access in order to do more with less and to better serve the public and a branch stakeholders. I think the proof is in the pudding. It is Orange County's experience where even before mandatory E filing they saved about 20% of staffing and other costs by implementing E filing in the civil system.

February 26, 2013



We cannot keep up with the caseloads and keep the electronic courthouse doors open without functional case management systems, other technology efficiencies . So to some degree this is becoming an access to justice issue. Thank you Chief, any questions from anyone I would be glad to answer.

>> Judge Ellsworth. Thank you. We have recently found by going file is paperless as a significant savings to Riverside. Does your committee looking at that is the easy piece of it but looking at the ability to share that with other courts and experience for example that Riverside is had, is that something that's on the radar as well?

>> Absolutely. I think the e-business practices at Riverside is engaged in, not only E filing but other significant examples of the branch at large in terms of how to do more with less essentially.

>> Also, your CIO, sure Carter -- [ Indiscernible ], thank you,. First want to thank the chairs of the internal committees and also the reporting Judicial Council members from the liaison for giving us this executive summary of what is happening in the branch. And I want to point out how always coming is astonishing to me how much work is being done behind the scenes by judges and volunteers in addition to the work that they're doing in their professional lives as lawyers and his judges and his justices. What you're hearing today and what you're hearing in these executive reports is the tip of the iceberg of all of the work that is being done by so many dedicated people to furthering access to justice and taking on these very discrete but warming large challenges. And when I think about the meetings in the collaboration and the time it takes to bring folks in, I can only say that what I continue to believe is the branch is truly an amazing institution this kind of support and effort and addition to all that everyone does without pay . So really, thank you for all you do in this also contributed to these reports, to countless to name here but ongoing , you have the Judicial Council's respect and support. Thank you.

>> We have one request for public comment at this meeting. That will be for today's general comments and consent agenda rule item. We have no speakers for comments for specific agenda items and we have not received any written comments so I will welcome Mr. Michael Ferrera, president of the California Federation of Interpreters -- interpreters to address the council and as understand that Mr. Ferrera is joined with Ms. [ Indiscernible ] and also Mr. [ Indiscernible ]. They understand that recklessly was sharing five minutes ago.

>> Thank you.

>> Honorable Chief Justice and respected members of the council. Good morning. My name is Michael Ferrera, President of California Federation of Interpreters. Computer to the council on a matter that is urgent and language [ Indiscernible ] California is in danger of losing 13 out of 15 employee interpreters for Punjabi and has also lost half of its [ Indiscernible ] contractor workforce that handled proceeding such as interviews, death efficient, little medical exams, and administrative hearings is gone. And deep, two of the four Comair employee interpreters and Los Angeles Counties were dismissed last -- February 15th. [ Indiscernible ] is highlighted to the AOC and council problems with that administration of independent services in California, among these is serious concern about the validity and preparedness as of the security -- certificate to pass an exam

February 26, 2013

procedures. Up particular concerns is the Comair exam is oblate youth of [ Indiscernible ] as well nonexistent proverbs and sayings of the foreign-language. This poses a very difficult question for any test candidate. Does what one render what the test designer means or give the [Indiscernible] the complaints about the quality and validity of the Punjab the income aired same need to be addressed. There have been serious terms from highly qualified subject matter experts them out that the test design and administration questioning whether the exams in the language pairs effectively test relevant skills. The first administration of the Punjabi certification exam after serious questions were raised about the integrity of the test of element and rating process. Among the most salient complaints raised was that local interpreters working in the state courts were contracted to develop the end rig their own colleagues and relatives I respectively requested the council expended so previously adopted grace period for Comair and Punjabi it leaves for an equal number of testing and notification cycles already done. We ask that the Judicial Council convene a panel composed of independent justice partners and stakeholders like CFI and subject matter experts recognized by all participants to the panel will review the exams of the development, design, administration for validity and metrics of policy. Thank you for your time. I urge many of member of the council to make a motion toward achieving at the very least if a the extension of the grace period. I yield the rest of my time to [ Indiscernible ].

>> Good morning everybody. My name is [ Indiscernible ]. I've been working at the confidence level interpreter for over 23 years in Punjabi, Hindi and Urdu languages. I client list includes the Parliament of India, so World Bank, the federal courts come this. Courts and several multinational companies. I have passed multiple levels of testing for the US State Department and work at the diplomatic level interpreter. In 2010, I had the honor of serving as interpreter for President Barack Obama during his four-day international visit. I'm also worked as a court interpreter in Punjabi, Hindi, and Urdu for 17 years. And the year 2011, the AOC asked me to give a training for candidates for the 35 Punjabi test which I did. In the late 2011, when the test was prepared, I became aware of and reported corruption in the exam preparation process. Was interviewed by the testing agency probe metric and the exam was [ Indiscernible ]. I took a supposedly new test which after taking I found was in fact a repeat of the original test. I performed well but tonight other displays, I was failed visibly with variables course. I took the test a second time and once again failed. I peeled the test results. Asking for a third-party evaluation work but that request was there - - turned down. And positive that I am a victim of retaliation for being a whistleblower. On the one hand, I was selected by the US State Department to interpret for our president and the AOC even heard my to train the interpreters. And on the other hand I was failed twice on an exam that was much less difficult than the others that I have passed. This switch it must be investigated and corrected it thank you very much.

>> Honorable Chief Justice and council members, my name is [ Indiscernible ]. I'm a senior interpreter was work for 28 years in the Los Angeles Superior Court. I attended law school in Cambodia and one is a leading experts in [ Indiscernible ] terminology. I developed the English glossary for Washington state courts and was the Comair exam prepare an and reader and then state. Also IMC [ Indiscernible ] interpreter instructor in California. My colleagues here and the cream of the crop, my interpreters, all rows from the ashes of the killing fields, all had university degrees such as masters and let with s ticks, economics and literature. Two To our prompting law students. Certainly, we were all failed in this questionable exam process. I was failed by the reader

February 26, 2013

from Washington state whom I certified in 1994. We all stand to learn everything which we had worked so hard for decades. I am 14 months shy of becoming vested in my pension. Younger colleagues struggle to make a living. We cannot afford to lose our registered status and California cannot fail to provide access to my speakers. As president of my interpreters Association and the California I respectfully implore you to extend my grace period. Thank you for your consideration.

>> Thank you. Thank you.

>> This is Justice Miller and just throw the council members this head them brought for attention and it has been referred to the court interpreters committee and Judge Austin has insured my that they're going to look at this at the very next meeting and margin you will have a report back to you. This affair, Stella, we thank you for your public comment today. We appreciate that.

>> Next we have our consent agenda. The Executive and Planning Committee as you know places items on the consent agenda in consideration of council meeting time. Also to ensure the work of the council and its advisory can be as effective as possible in setting policy and implementing solutions and issues facing the courts and the justice system. As you know placement on the consent agenda in no way reflects on the significance of the proposal prior to our meeting any council member a request that an item be moved from consent to the discussion agenda. Midnight items are believe in today's consent agenda raising as you heard from revisions to criminal jury instructions to report to the Legislature on court interpreter expenditures. We thank all who worked on those reports. They are on your consent agenda items a through I. To I here to -- to have a motion to move the agenda?

>> [ Indiscernible ].

>> Judge Jacobson first, second by Judge Rosenberg also judge Baxter. We don't need to go. We move it.

>> Thank you.

>> This brings us then to item J, our first discussion agenda. And it is court facilities, delay to the courthouse capital program attending the proposed Governor's budget for fiscal year 13, 14, is an action item. And we welcome Justice Hill and [ Indiscernible ]. Thank you.

>> Thank you very much. I stood before you many times talking about how we are going to be dealing with yet another funds sweep . And once again we are in that position of having to dramatically adjust our program midstream. Our recommendation to you today is twofold.

>> First, our working group feels strongly that efforts should be made to secure full funding for this year. Certainly not at the expense of core funding. Rather we are just seeking the return of all or a portion of those funds that were raised from our users for the express purpose of building court facilities. Court users paid these assessment and have been paying them for years as they were promised.

>> When SB 1407 was passed with the intent that those fees and assessments would build buildings. It is now \$1.4 billion and counting we are only suggesting that enough is enough. Secondly, should we not receive all or a portion of these funds back, we have noted in our reports you the 11 projects that will be affected during the coming fiscal year. We're hoping certainly for the best but we are preparing for the worst. I should note that our aggressive cost cutting efforts with respect to SB 1407 court facility projects continues at full throttle. Along with the subcommittee we have currently cut \$115 million in just the past 16 months and those efforts are continuing and we will keep you apprised as we cut further funds in the future.

>> Once again, I want to thank you for all you have done supporting the program and I stand open for any questions that you might have.

>> Thank you, Justice Hill.

>> Presiding judge [ Indiscernible ],

>> I wonder what efforts can continue to be made and should be made to implore the Legislature that the Long Beach project should not be funded out of the speed 1407. I would hope that we would not give up on that argument. I would not expect Los Angeles to have to absorb the amount of that project. You don't believe we're party to that agreement. But not only does it seem to me the sweep by the legislature of money from the funds but it's the Long Beach project fit also a contributing factor and having to delay additional projects. So I want to know what -- I hope we have not given up that fight but more we can do.

>> We have not given up on any aspect of our approach to the legislature. We're certainly seeking that fund referring to our fund as well as the sweep. We have not taken anything off the table is further concerned. When we meet with legislatures we are talking about the indications that were made in terms of general fund funding for Long Beach, we're talking about the promises that were made to court users when SB 1407 was passed, we're seeking the funds for all of that to return those funds. We understand is a difficult fiscal environment do we have not anything off the table.

>> Thank you. Judge Rosenberg.

>> Justice Hill, you have one of the unhappiest jobs . The fact that you maintain your good spirit in light of the difficult job you and your colleagues have to do is remarkable. It is really appreciated. I'm wondering if there has been any analysis done in terms of the cost of delay it's my belief that these projects will have to be built at some point in time because they are needed. It is like repair of roads in putting in new worlds, if you delay it, the roads just deteriorate and it becomes even more expensive in the future to fix or replace the road . Has there been any analysis done on the ultimate cost of the delay in terms of other projects in state government that it delayed? I have to believe that it's going to be more expensive for the State of California to delay these projects.

>> Thank you, for your comments. And yes, we are looking into that. Costs were set up for a while over the past number of years. But anecdotally the cost at this point have been going up and we have been told by a number of sources that we can expect costs to increase dramatically over the

coming years and so we are looking into that and we can certainly report back to was were certainly static information and information looking toward the future. So we expect that and it may well be something that we need to stress because if by billing we save \$200 million this year end a cost \$300 million, that's really something that the legislature it's to know about and all of you as well.

>> Did you, Judge Johnson?

>> Have a motion to adopt the recommendation 108 that appears on page two of the report.

>> Before that motion is taking me a comment?

>> Judge Brown. With recommendation number two, my only concern here is that I think we should make it clear that we need operational funding restored before we are addressing issues dealing with construction because the way that it is written it could lead the reader to believe that this is a parallel track. I think operation funding is critical and needs to take priority.

>> Do have are recommendation of amendment?

>> I do.

>> Okay. Can you restate it for me?

>> Only to the extent that I believe operational funding needs to be fully restored prior to making a request for construction funds for those projects.

>> I guess my concern would be fully .

>> Full.

>> I could not hear you.

>> I only concern is what fully means. I'm not sure what that means. Fully.

>> Well as long as it's clear that priority has to be given to operational funding first. That is my concern.

>> And may I speak to ever so briefly. I and that was part of my remarks that we are not intending to move to the front of the line. The only concern I have about the way that thwarted is that we've indicated prior to making the request for restoration, I would like to make the risk quest for restoration and certainly leave it to the Judicial Council and staff to prioritize but not be precluded from waiting for funding to come before we can even make the request I accept your friendly amendment to my family amendment.

>> ( Laughter ) I'm not sure what the language repeat.

>> Do have a proposal for what the me -- for what the language might be on item number two?

>> I think that it might be a sense of the council that one those funds are talked about in the legislature the prior to be given to operational funds that we not necessarily tie anyone's hands at the how that is approach but this is the council that they should put the emphasis on operational funds before seeking the other .

>> Yes. Perhaps if we just added a phrase to recommendation number two that says recognizing the concern for restoring trial support operational funding.

>> [ Indiscernible ]

>> With recognition of the concern . It's just good English.

>> ( Laughter )

>> We do accept it -- an amendment that the priority should be the restoration of operational funding?

>> Here -- I think there is a sense that there is a need to give consideration to the need for the operational funding first . But I'm concerned about the word priority because it is really at the end of the day, we have to strike a balance. And while we are consumed about the operational funding for sure, they're still has to be a balance and so we can't -- we don't want to say that any fund of the trial court needs money we can't do construction work because we have to balance these needs at a time when there to simply is not sufficient money. Some little concerned about the word priority.

>> So can I -- let me capture what I think I've heard. It was start now with the recognition that the judicial branch six restoration and reinvestment of court funding, submit fiscal year end then it reads the same? So that it comes first -- it doesn't say is the priority but obviously its data first.

>> Good language.

>> Okay.

>> So I understand that this amendment is a friendly amendment that Judge Jackson is willing to take . We are still open for discussion on this. We have a motion for items one through eight or two is modified, it still open for discussion. Do I see Judge Jacobson seconding it?

>> I second it but I also the brief, which is I think these are good vigorous discussions for us to have. The concept of balance is very important and most of all, we need to speak with one voice but we are asking for money from the legislature and the government .

>> Thank you.

>> Anymore discussions?

>> Yes, so Alexander.

>> On item seven, the last sentences use construction funds for utility operations requires statutory authority and I noticed in the discussion part on page six, it says that [ Indiscernible ] SB 1407 be modified to allow operation repair and maintenance of newly and resources be provided to maintain these new courthouses. Are you proposing as part of that that be a legislative agenda?

>> For the council to promote that legislation or that part of a budget trailer bill?

>> No that would be asking for judicial sport.

>> Because I just did not think it was is clear and number seven as it was in the discussion.

>> Rate. Thank you very much.

>> And then I have one other question.

>> You that.

>> I nodded me, if SP says the funds are restored in the active budget but on page five it says pending the restoration of the funds and I'm not sure which one was correct.

>> We need the restoration before we move forward with this .

>> Pending is a better language.

>> Thank you for the clarification .

>> So item eight then recommendation eight would be just on the last sentence, this one-time funding request would only be authorized pending or are we keeping if? Pending SB 1407 funds are restored?

>> Of the other pages says only the authorize pending the authorize of SB 1407 funds.

>> So would read this one-time funding request would be authorize pending [ Indiscernible - multiple speakers ] --

>> Of SB 1407 funds.

>> In the enacted 2013 budget at.

>> And if you would not mind, we would like to hear number two again just so that we are sure that it income this is all that it needs to encompass.

>> Here's number two without any literary ownership .

>> Restoration and reinvestment of court funding, submit and there breathes the same.

>> Thank you.

>> On-the-fly editing is an occupational hazard of every justice

>> The only concern I have frankly it's with the wording as nebulous as it is, is it's hard to be precise but would this not be a recognition that the legislature could constitutionally take funds earmarked for core construction and divert them to operational costs ? Even though it would've taken a two thirds vote to have done it directly? Are we conceding that? Are we conceding that constitutional argument?

>> My position is that issue is not directly before us and I would never concede it.

>> ( Laughter ) .

>> What lead you to believe that we might be conceding that fax is there language that suggests the concession?

>> Just the concept itself that the legislature could take funds 1407 funds, divert them to court operations. The same point that Kurt mentioned yesterday . If we are suggesting it ourselves the question I have is that off the table?

>> Thank you, Chief, I think most of us are a little bit -- I think most of us get a little bit anxious we start scribbling in amendments without really the time to think through what their potential effects maybe that this is one of those times as to the friendly amendment to item number two and when I read this proposal I did not see anything in it that suggested it anyway although I appreciate the spirit of the concerns expressed here that suggested in any way that somehow this would take priority over court funding. It's a completely separate issue , and my mind it does not speak to which comes first in which comes second. And while if we keep the friendly amendment as the Chief Justice has noted for us, and the council is comfortable with that, I probably will go along with that but these things cause me great concern unless they are very, finer minor, and this does not strike me as minor what we are dealing with legislature on this for. Justin Miller and the Judge Herman.

>> We just start with the last part canopy [ Indiscernible ] and start with submit? And then it does not have anything to do with [ Indiscernible ] -- would that work?

>> I think we would probably wish to submit now rather than wait for the funds to be restored. I think our goal is to make the request and not wait for the occurrence.

>> I'm okay with that.

February 26, 2013



>> But it sounds like --

>> No. [ Indiscernible - multiple speakers ] if we just got the part about should?

>> I'm sorry, how would you rate it then? From what I understand, you want to submit them now expect that correct.

>> But it seems to say that they are only going to be submitted to [ Indiscernible -- background noise ] I guess I'm a little confused.

>> Judge Herman, did you want to win?

>> I just joined with justice call. I really think we need to think this through. I don't think we want to tie our hands in the future that's what rarities are because we do have infrastructure needs is with -- as well as operational needs. I think most of us think that spoke and operational needs are the important and often priority needs but I don't want you to think we take flexibility away.

>> I would just note that we would be fine with the recommendation by Justice Miller that the language stop after and recommendation one. And delete the should.

>> Let me ask Judge Bramlett if that does [ Indiscernible ] tier concern here.

>> Now, it does not work we can always defer to another date more discs are serious discussion regarding priorities.

>> So does that mean that recommendation number two now reads only now it's starting with the word submit and to the end of the first sentence, diluting should, that phrase, deleting the phrase starting with showed.

>> Judge Jackson you except that amendment?

>> I accept that amendment.

>> And Judge Jacob you still stand seconded?

>> But my can for one moment.

>> So all in favor of recommendations 128 as discussed and amended, say aye.

>> All of those? Any abstentions?

>> I would like to abstain

>> I abstain also, Madam -- matter carries thank you very much for all the work that goes behind the scenes on this and the presentation.

>> Thank you. Much.

>> Next on the agenda is Item K, Court Facilities. Membership in the Calaveras public power agency for low-cost utility rates is also an action item. I would ask the presenters to please identify yourselves. Thank you, welcome.

>> Sure. Good morning my name is Laura Sainz, with the Office of Real Estate and Facilities Management. This item actually came up in the planning of the new San Andreas Courthouse located in Calaveras County. One of the utility analysts identified the opportunity for the courthouse to receive reduced electricity rates if we were able to join a local JPA. The Calaveras public power agency called the CPPA for a cost perspective, we are able to identify the ongoing utility rates we would save, over \$22,000 a year, and a one-time cost of \$150,000 a year in capital equipment. From a policy perspective got a little more difficult in that we would have to actually join and become a member of the local JPA. That was something we didn't think the AOC had done before. So, JPA's or joint power authority, joint power agencies are allowed under Taliban no law. They are structured very differently, depending on their intentions. The CPPA is actually a very simple JPA in that it is empowered to acquire and distribute electricity. It doesn't own any infrastructure, doesn't build infrastructure most of the members, 32 members are local to Calaveras County. The JPA also specifically states that the members don't take on any liabilities or debts of the JPA. There is a one-time cost of \$2000 to join the JPA. There is no additional cost for reserve fund and there are no current assessments at this time. So, what you have in front of you today is the JPA, an amended agreement which allows us to become a member of the JPA. And also, a separate agreement between AOC and the CPPA which allows the AOC to be treated as a tier one member, which is a preferential member treatment.

>> And with that, I will take in a question.

>> Thank you, Ms. Haynes. Commissioner Alexander?

>> Is there anybody else treated as a tier one that is a member of the tier two?

>> Guess by definition tier one members have to be located wholly within Calaveras County. The only reason why we are not a tier one member. So we have the separate agreement or we will be treated as a tier one member but because of the JPA agreement we have to be called a tier two member since we have locations outside of Calaveras County.

>> But there are other entities that do the same?

>> I believe we are the first state entity, all the others are local. The school district I think is a tier two member.

>> Okay I just didn't want us to be the only one.

>> (Laughter).

>> That's getting special treatment .

>> Justice Miller?

>> And we terminate the agreement?

>> We can, yes absolutely. If we haven't started receiving power yet, there's a 90-day notice to the CPPA once we have started receiving power, 180-day notice to the CPPA.

>> Judge Moss?

>> This sounds like a no-brainer. Is there any negative to joining the JPA?

>> In terms of joining the JPA, there's always a risk of rates going up. Historically rates have been lower than PG&E which is our other alternative and rate increases have been lower than PG&E, we would base the same rate issues with PG&E, frankly.

>> [Indiscernible--low volume]

>> Yes, Judge McCabe?

>> My initial concern was about potential obligations, responsibilities. I think you adequately addressed the issue. It looks too good to be true. That always makes me nervous. Because, what is around the corner is going to get me. And, it appears we've gotten out. So, if there is an issue in the future, we still have a timeframe that spells out. So, I think it is appropriate and I would move to recommend.

>> Thank you Judge McCabe. MaryBeth Todd? Second by Jim Fox, David Yamasaki, Mary Beth Todd?

>> Of the former CEO from Calaveras County, I know, we've been aware of the discount power offer for many years. This first came up when we transferred the facilities and made aware of what a good deal this was. So, it has been in place for many years. The public agencies and Calaveras County have been benefiting from it for years. I know this was a big -- this was a bowl of former presiding Judge Moine who is now retired to get the same offer for the new courthouse and Calaveras County. So I am happy to see it coming to fruition. And I think because it has been in place for so long, I wouldn't anticipate there is going to be any sudden change in rates. I think this is a great deal and I appreciate all the efforts to ensure that the new courthouse will benefit from it.

>> Thank you. Judge Kauffman?

>> I am looking at the recommendation on page six and seven, looks like there are three things that have to happen, worse we have to adopt a resolution and what concerns me is this Judicial Council going to pay the application fee of \$2000?

>> The AOC is an actual member but we need the governing body to adopt the resolution.

>> Ever two to additional pays the \$2000 or Calaveras County?

>> It will come out of the capital project costs.

>> Okay. But who is paying? I just want to know who is paying? I'm not saying \$2000 --

>> Select the construction fund.

>> [Indiscernible--low volume]

>> The one-time --

>> We are the entity that is joined and --

>> That's right.

>> Anymore discussion? (laughter) all in favor of the recommendation contained in your written materials on page 2 say aye. Any opposed? Motion carries. Thank you. We will have a 15 minute break and then resume to take up item L and so, we will meet at approximately 10:33-ish.

>> We are now back on the air.

>> Our next item on the agenda this item trial court benefits funding. This is an action item. We welcome Judge Earl. And [ Indiscernible ] cochair and Steven Chang. Thank you.

>> Thank you I will take a stab at this. [ Laughter ]. There are three recommendations we bring you today. The most complex being recommendation number one which addresses cost increases for health and retirement benefits. Recommendation number one is broken down into three sub recommendations and if all are approved the result would be to fully fund the trial courts for those increased costs in fiscal year 11 back and fiscal year 1213. So starting with the recommendation one a which addresses partial year cost increases for help and retirement benefits for fiscal year '11 1112. The actual cost for these increases were determined to be \$32,997,000. With this amount was submitted to the Department of finance -- to the position that the Los Angeles superior court had a pension obligation bond that had retired at the end of fiscal year 10-11 and they no longer needed funding associated with that pension obligation bond. That's when appropriating funding for these partial year cost increases [ Indiscernible ] reduce the appropriation by the amount of the pension obligation bond which was just over \$20 million leaving just over \$12 million to cover the cost of these increases for help and retirement. The trial court budget working group considered several options related to the retired POB and how it impacts funding the trial courts for these help and

retirement costs. Those options included fully funding benefit cost changes to all courts other than the Los Angeles Superior Court. This would result in all courts except Los Angeles being funded at 100%. The Los Angeles Superior Court would bear the cost of the reduced funding associated with the retirement of their public obligations pension obligation bond. And but not receive any funding for their cost benefit changes. Best Los Angeles trial fund fund application would be reduced by \$12.41 million in order to fully fund the other courts. However the Los Angeles Superior Court takes the position that they have relied on some of the funding associated with that POB namely 13.3 million of it as part of their base Trial Court Trust Fund funding level. And we discovered support for this position and in April 2010 traditional council meeting which I will talk about in a moment. Another option working group considered was to provide some funding to the Los Angeles Superior Court by allocating the appropriated money to all courts including Los Angeles. This option would fund all courts except the Los Angeles Superior Court at 100% and provide a small amount of funding to Los Angeles but they would still have their Trial Court Trust Fund allocation reduced by \$10.49 million in order to fully fund all of the other courts. The working group also considered using money from the Trial Court Trust Fund reserves to fully fund the cost of the retired POB and allocate the appropriated money 1258 trial courts. With the trial court budget working group learned and considering this issue is that at the April With the trial court budget working group learned and considering this issue is that at the April 2010 Judicial Council meeting the council reviewed a proposed court reduction plan by the Los Angeles superior court. The report related to that April 10 of meeting that addresses this issue is included as attachment be in your materials and there is an attachment C that lists all current and outstanding pension obligation bonds for other counties and I want to make sure to include also that glad go and his folks are continuing to ask the legislation to fully fund these costs so that we don't have this issue come up in the future. The staffer report for that April 2010 business meeting regarding this issue stated that the courts revised core reduction plan included \$13.3 million in the ending operating reserves related to the retired POB costs. The Los Angeles superior court relied on the acceptance of the council as part of its reduction plan that this \$13.3 million be maintained by the court to be used to address funding reductions. Ultimately the trial court budget working group agreed that based on the inclusion of this reference to the POB and the April 2010 report and the Judicial Council's acceptance of their reliance of Los Angeles reliance on the \$13.3 million it would be unfair to require the Los Angeles Superior Court to absorb the full amount of the reduction. When \$13.3 million of this funding was part of the courts historical-based funding. That's the trial court budget working group recommends that the Judicial Council approve the allocation of the \$.472 million which is the amount appropriated from DOF plus a surplus appropriation from fiscal year 10-11 to the trial courts. This recommendation will reduce the Los Angeles superior courts trial court trust fund allocation by \$7.2 million which is the difference between the amount of the POB and the \$13.3 million on a one-time basis and spread the remaining \$13.3 million reduction among all trial courts on a pro rata basis. This will result in funding all courts except Los Angeles at 48.3% of their fiscal year 1112 funding needs and Los Angeles it would be funded at 48 and Los Angeles it would be funded at 48.3% of their adjusted needs. I should note that this was a unanimous recommendation of the trial court budget working group and that the Los Angeles Superior Court supports this recommendation. So I can move on or I can take questions before I move on.

>> Or rather flat co-can take questions.

>> It appears there are no questions at this time.

>> Does that mean -- which recommendation are you recommending?

>> That is a recommendation 1 A for now.

>> Recommendation 1 B addresses boat -- for fiscal year 11-12. The actual cost of these increases was determined to be just over \$39 million. Reducing the amount by the cost of the Los Angeles superior court POB DOF again a prorated only eight -- \$18 million for these cost increases. For similar reasons the trial court budget working group has determined it would be unfair to require the Los Angeles Superior Court to absorb the full amount of the POB reduction. That's the trial court budget working group unanimously recommended that the Judicial Council approve the allocation of the \$18.679 million which was the final confirmed costs of the trial courts. This recommendation will on an ongoing basis reduce the Los Angeles superior courts Trial Court Trust Fund allocation by \$7.2 million which is again the difference between the amount of the POB and the \$13.3 million and spread remaining \$13.3 million reduction all trial courts included the Los Angeles Superior Court. This will result in funding all courts except Los Angeles at 48 -- 48.3% -- 58.4% -- 58.4% of their funding needs -- and Los Angeles may be funded at 28 point -- 21.8% and again I would note that the Los Angeles Superior Court supports this recommendation.

>> Should I move on?

>> The trial court budget working group recommends that the Judicial Council approve the use of fiscal year 12-13 expenditure authority from the trial cut fund balance to backfill on a one-time basis the shortfalls in benefit cost changes in fiscal year 11-12 and 12-13 820 of 20 -- \$26.79. This will result -- relying on recommendations 1A and 1B the result in funding -- funding the court said 100% of their needs. We further recommend that if insufficient expenditure authority is available that the Judicial Council direct AOC staff to request additional expenditure authority from the Department of finance.

>> That is our recommendation on one.

>> Any questions or comments on one at this time? >> Do you want to do the mall together?

>> Let's do them all together.

>> Recommendation number two.

>> Right into addresses costs related to court interpreter benefit cost increases. These cost have traditionally been funded for both the state general fund and the Trial Court Trust Fund . Since fiscal year 10-11 this to opening system has created the possibility of funding courts twice per these costs . To avoid this problem going forward the trial court budget working group recommends that funding for these costs first to be funded from the Trial Court Trust Fund appropriation and that any funds of the eight interpreter general fund item be satisfied and allocated only if there is

insufficient appropriation in the Trial Court Trust Fund appropriation and that any unused general fund appropriation in any given year automatically revert back to the state general fund.

>> At this time no questions or comments.

>> Item 3 addresses increased health and retirement Cossin fiscal year 12-13 and it is broken down into two sub items. Item 3 a January 2013 budget room proposal Governor. propose fully funding increase costs of health and retirement benefits for 12-13. While not all trial courts have confirmed their final cost some have and as of January 31 of this year just over \$23 million of the estimated amount of increased cost of house and retirement benefits have been confirmed by the trial court. Additionally six courts have provided confirmed healthcare premiums that have resulted in a net cost increase of \$122,694. Rather than wait for confirmation from all trial courts before allocating funds the trial court budget working group recommends that the Judicial Council approve the immediate allocation of these confirmed amounts on a one-time basis to those courts providing confirmation as indicated in columns 11 and 13 of attachment A as these courts have been incurring and paying these costs since July of last year. Courts with unconfirmed cost changes will have until June 1 to provide confirmation of their premiums and employer share and once unconfirmed cost have been confirmed they will be fully funded provided they do not exceed the funding available. I'll move on to the last one.

>> Item 3 be the two governors January I'll move on to the last one.

>> Item 3 be the two governors January 2013 budget proposal contains no funding for the annualized ongoing cost of the benefit cost changes there are effective in fiscal year 12-13. These costs will continue to be incurred by the trial courts in the future. The trial court budget working group recommends that the council approve the use of available Trial Court Trust Fund monies on an ongoing basis beginning in the year 1314 to fund these annualized cost changes. We further recommend that insufficient Trial Court Trust Fund are available that the Judicial Council direct AOC staff to pursue general fund monies to cover these costs.

>> Commissioner Alexander.

>> [ Indiscernible ] asking them to fund that for the next year as part of the budget negotiations?

>> We are.

>> What if that doesn't happen?

>> Current budget stays in effect.

>> Correct.

>> Therapy to be no comments or questions. At this time anyway. Join your emotion?

>> All move we are approve all the recommendations.

>> Second that.

>> Any further discussion of these recommendations as presented.

>> All in favor say aye. Any of those? Motion scary. Thank you.

>> We may need a few moments to assemble the folks and have them come down to this room for next panel. Item M. This is the trial court update of the resources assessment study model.

>> Good morning. We welcome Judge [ Indiscernible ] of 56 working group. [ Indiscernible ] McLeod of AOC research and Leah Rose-Goodwin AOC office of court research welcome for being here.

>> Good morning

>> Yesterday we had a detailed discussion of the history of the [ Indiscernible ] model and recent workload study updated we covered a pretty completely. That information is contained in your written report. And if there are any remaining questions about the content of the report we are ready and willing to answer those questions.

>> A key issue that emerged yesterday in the meeting and I wish to underscore again as this is not a funding model. That was the elephant in the room the people talked about. Under the coffee table is the phrase somebody used. This is -- is taking workload into account and it could be an essential tool for any funding model of the future. It is the start and that's what we're proposing today. What we're asking for today is that there-- -- the Judicial Council approve the updated razz model parameters for the use an estimated court staff workload need with the understanding that the ongoing technical adjustment for example do we need to have a homicide case rate had we deal with [ Indiscernible ] 109 and realignment. We [ Indiscernible ] data become available. As is stated yesterday and I think we talked about it quite a bit this is been a hugely increase of process. We work with over 30 courts participating in the time study and workload study whether they were on the 56 tax force we have large court of small court NT Jason CEOs. We had multiple meetings for over four years eight hours at a time. Talking over the details and reviewing the minutes of the time study in talking about them and adding to it and looking at the material and doing in person meetings with judges and court staff and meeting with the public. To try to come up with what these caseloads were. They have -- the judges of the court execs have been involved in every aspect of this process. They have for example myself also been one that went to law school so I did have to do math. Have had to ask what a lot of questions of their statisticians of the other judges were always provided with detailed information to satisfy our multiple requests. And as the chair I am satisfied that that RAS modeled represents the best effort of the working group. That hard to measure workload in our courts that currently with the data we currently have. We know we are -- we don't have as much data and everyone takes data in a different way. So while I work has included on this stage of the product and work has concluded on the judicial need study the work of all groups is ongoing. We will continue to make adjustments and refinement as needed. And before we take questions I want to make sure that everyone understands that the work of Leah and dag and Ron is no longer at DOC and Dena was critical in putting this work together in the last four years

February 26, 2013



and having our big team shrink down the two has been an incredible burden to them but they have done excellent work. And all of the working group members thank them.

>> Are there any questions?

>> I know we did as you described -- we went over this in depth yesterday in our education -- with a fine presentation. Alan Carlson and judge Jacobson

>> A number of us have been talking about an alternative motion to what's in the recommendation here but let me preface that by saying the point of the motion is to recognize the work that's been done but also to recognize the work that still needs to be done to move to a funding model. I was about the two prior Judicial Council -- judge waited things here in California and one of them and so I get how much work you have done. It's great. I suspect data collection involved that's behind the numbers is the best and largest ever done anywhere in the country. So that numbers that support the workload model that you've got to come up with how many staff you need to do the basic work of the court -- we're all fine but that step and we really do thank you. That was a massive task a lot of people were involved. Going through that -- going from there to how much money does he scored get is a huge additional task and so what we're understanding is acknowledging and using the data that as he 56 people have come up with but give room to the trial court budget working group subcommittee now working on a new funding methodology to build from that base but probably take some pieces that are in what I think is referred to as a RAS model going forward to come back to this group with a new funding methodology. [ Indiscernible ] has the language of the motion that would like to make. I think if it does I don't know.

>> I do but I think about the Hubble to hear from David [ Indiscernible ] what our concerns are.

>> I could. I support the suggestion being made by Allen following the presentation yesterday all of us heard some of the work that we are endeavoring in the subcommittee or the trial court budget working group and it's very clear there are a lot of things being looked at. We have not landed on a specific data set to drive some of the fiscal numbers that we are trying to achieve. And I think of course not to diminish the exceptional work that working group has done over -- in many years, given the fact that we are very close to landing somewhere to adopt a report I think poses a little bit of a challenge for us if we were to go forward and make alternate suggestions. So I think that Judge Earl may have alternate language that hopefully we can consider.

>> I think Judge -- [ Indiscernible ] to be heard. [ Background Noise ]. Justice Miller. Judge Earl.

>> Thank you [ Indiscernible ] perhaps it's premature for me to say this without having heard Judge Earl's motion on this point but listening to Mr. Carlson's comment I must say preliminarily that if that language seeks merely to acknowledge the 56 workgroup recommended a poor report as opposed to approving it and I don't -- I do care how we do it after that that simply knowledge and the report is equal to saying thank you for the report. And I think this is important and I think far too much work has gone into it to simply knowledge the report. I think it should be approved today with the appropriate language such as is suggested on page one of the staff report.

February 26, 2013

>> Judge Jacobson.

>> I suppose I have a question. Which is to what extent we talked yesterday about the ability to add new information. I think the used to realignment as an example. In terms of other projects that we have language relate to the funding request as part of finances desire for us to have some uniform work measurement models. To what extent is this work applicable to those things that we [ Indiscernible ].

>> Well taken undertaking similar to what we've done in the past to add a new case type or two consider it very different case weight as it relates to the realignment and that would take more analysis of data research. So it would be something you could call up DAG and say could you change the model today. It would take some time and what we're suggesting is we use -- you use for workload study a three-year average of that is in the parameters and so that would have to be updated with that new information. Does that answer your question?

>> And just to finish my comment. I was very impressed yesterday with presentation. I thought that the workgroup had -- reflects a thorough approach and a very impressed by the inclusiveness of it in the number of courts and people were measured. And I have to say that in looking over your information that just based on my own experience as a judge [ Indiscernible ] those cases took a lot more time than any other category and resumes with me. And so forth as I looked at the categories it made sense based on the experience I have. And I'm going to politely offer a competing motion to accept this report.

>> Let me -- [ Indiscernible -- multiple speakers ]

>> So you are moving to accept the recommendations that I know we have another more language but let me hear from Justice Miller and then Judge Earl

>> I guess the question for David because a look at the recommendation on the computer screen there it seems to be fairly simple and that is we just approved the updated RAS model parameters for use in estimating court staff workloads. That seems to be what they are urged -- their charge was what they undertook and but they did. I went to the last meeting and we fully vetted that this wasn't and allocation method. It wasn't and involved per se with planning in the sense of what you are doing and what you are proving. It may be used for that sometime in the future in some fashion but the work of the committee was limited to estimating court staff work load needs. EMP and [ Indiscernible ] have been talking about and I talked to ask me about this that we're not sure this committee will a sunset. We haven't made our decision in that regard. So the second part of it is that there may be some continuing need for this committee to continue to make those technical changes in the future. So I guess I didn't understand David what the concerns were and how that may somehow be used inappropriately if all we do is approve the work that they did.

>> Well one of the concerns I have is we've been waiting for a number of years for this process to complete because there are many folks that way again and had concerns. And what happens in my view is that when a report is expected it is somewhat becomes the default and we know that in a month maybe less than that maybe a little bit longer than that, we are going to be adjusting resource

allocations based on workload measurements. And I just get concerned about adopting something that we know is subject to revision especially in the spiritual period of time

>> Doesn't say adopted. It says approved.

>> Let me hear from Judge Earl and then I thought Judge Kaufman and Edie Missi and Carlson and Judge Rosenberg.

>> I prefer to wait to the end of.

>> I'm confused. [ Background Noise ] always saying it this is a model that we've commissioned three years ago and it's just a model. It's something to do. But I hear -- I don't hear definition. Here nebulous argument from you David as how this may impact and I don't understand that. Never to ensure also making an assumption that we're going to change it. All we have is a model. Does it deal with allocation. That's a completely different argument. And I think we have to basically as adjusted [ Indiscernible ] said is we approve the model. That's all we're saying. Doesn't do anything other than approve a model that will change over time as more information comes in.

>> I just don't understand.

>> [ Indiscernible ] speaking. I don't think we should start with the assumption of the model is going to be incorrectly used by the budget group. This is a total to be used and as a councilmember it is -- I feel that I would -- let me rephrase it. Yesterday I learned how much work went into develop in this model. How many people participated and how many courts participated. It is a necessary tool to be able to move forward with what we need to do. The numbers of the bar who have participated in the lobbying effort with the legislature have been told in no uncertain terms that it will take a self-assessment by our branch based on hard evidence as to what it costs to run this branch and why before we are going to have a more receptive year -- year in the legislature. The process that we are going through now including the work that was done by this working group is a necessary part of that. And I think that we should trust that this model into which so much work has been put will be properly used as we go forward in the allocation process. No one is saying it sets the allocation. What we're saying is it is a part of the information that is necessary in order to do that allocation and I think it's critical that we adopt this.

>> Carlson.

>> Is a problem. The committee said it's not allocation model. We all understand what was done here and the work that was done that is not an allocation model. But the rest of the world doesn't say it's not an allocation model. If we adopt this thing today the way this is characterized anybody can take that model a good legislator were lawyers and say this model says I need X. And that's not what we meant by the model but we can't stop people from doing that. So our attempt is to say let's make it real clear that this is not the finished product and you can't go to your legislature and your lawyers and say I need X. We're still working on that. To me if you adopt this model you are. Duty aiding all the work of the budget working group.

>> It feels that way because you are saying others of the model and people are pretty is it now I have to fight to fight. At the five people using this model to say something that was never intended to say and after five people that say let's adopt the new model. We don't have to do that. We have language that acknowledges the work that's been done and acknowledges the value of what's in there but doesn't allow people to say here's the model and I'm using it to say I'm short X. When people use it the last model was used to allocate money. The sense that there is this is a money allocation model. There's no way around that. No matter what we say near the sense upside is that the RAS model is a way to allocate money. That is what people one now. We can't perpetuate that. We have to make it more clear what we're doing and what we're going forward with.

>> Judge Rosenberg.

>> First of all we start with the proposition that we are ready have a RAS model has been approved. That was done in 2005. That's a done deal. If there is confusion by confusion initiated in 2005. The point is I don't see an incompatibility or an inconsistency in any way in approving the motion as proposed. By approving the updated RAS model -- the 2013 model, we are approving specifically as noted in the motion this updated RAS model has the parameter for use in estimating court staff workload needs. That's all we are doing. And it's specifically targeted to that. In a few weeks I imagine that the trial court budget working group subcommittee as well as the trial court funding workgroup is going to be making recommendations on at least a formula or a new allocation methodology. Those recommendations and formula I feel pretty darn confident will be based in large measure on a component being updated RAS model. That will be a part of that calculation part of that formula. So I don't see them as inconsistent or incompatible in any way.

>> Before we move on I know Judge Earl you deferred you're competing motion but I also now note at this time Judge Elder and Judge McKay would like to be heard. Would you like to hear your motion now? [ Indiscernible ] I can certainly -- state the motion and I would encourage continued discussion. I think the concern that we have is we all know here around this table that RAS is not a funding model. But an important tool in a funding model. But the concern is the legislature will not understand the distinction. And that the legislature when we say we have a funding model that partly based on RAS because we will not use -- we don't believe we will use all of the RAS components. Partly based on RAS they won't understand why we are not just using RAS. My substitute motion would be that we recommend that the Judicial Council approved those portions of the updated RAS model that estimate court staff workload needs for potential use in the budget development and allocation methodology that is currently under development by the trial court budget working group. And that ongoing technical adjustments to case categories and case weight formulas that relate to estimating court staff workload needs be made by AOC staff as the data become available and with oversight to a committee designated by the Judicial Council.

>> My concern is -- we need the language. I know I can't comprehend that as chair to get a vote. I can't even repeat that. So we will need to give that to Nancy and have a distributed to people know what they're voting on if anything but at this time you take care of that and I will ask for comment previously by hands raised and by Judge Ellsworth, Judge McKay, and Judge O'Malley.

>> So that was my question in essence by using the language parameters for use in estimating court staff workload needs are we prohibiting use of other tools. Are revealing tearing down -- that is my question. Whether this is clear from the language here that the RAS model play one of the tools we use or is this only will we will use as I agree and approve the RAS model and all the work is been done but I just wonder in our language -- we are all expressing that it's one of the tools but there's a language on its face say that to others.

>> Pardon me?

>> Let me hear from Judge McKay.

>> FAQ chief Brian McKay percent. First I would like to know that the 56 working group product is the end result of a Herculean effort. That took a number of years to develop and it's ongoing. And I recognize that. Number two, the question you have to ask yourself is now that you have the RAS model which estimates court staff workload needs what do you do with it. And what I'm hearing is that there is a suggestion that clarity be provided so that there is no misunderstanding. And I'm struggling to understand the resistance of clarity. The wording and the proposed motion isn't rejecting the SP 56 work. It doesn't necessarily shell it. I think it's putting it into perspective that one, we don't want to be tied to this because we live in a world of simplicity and people break things down into their most simple terms. Money follows resources. And SP 56 helps to develop resources. What is the workload needs. Her. And a component. That -- not exclusive but a component of that. That gives me concerned that somebody outside the system is going to adopt this as the resource or allocation method for the branch. Even though we are all saying the same thing. That this is an important tool and this is going to be an integral part of the funding methodology formula that's being assembled. If I'm going to air I want to air on the side that's going to protect the branch. And so the clarity does not bother me in fact it comforts me. In knowing that this is an important tool but it's not the only tool and it certainly isn't the tool to be used for allocation purposes. So I'm in favor of this substitute motion.

>> Judge O'Malley and Justice Miller and Justice all.

>> And I am concerned about the language of the substitute motion for the following reasons. The proposed language is asking to approve part. What part. What it specific part. And is this body ready to discuss that and make the decisions on what parts of the SP 56 proposal we want to accept and what parts we don't. So it's a day. At this body is not prepared to handle that specific. This is been discussed for three years and you're asking us in a matter of minutes to approve language that only approves part of it. So I am vehemently opposed to that proposed language if putting us in a very difficult position that we are not ready to vote on at this time. It's asking us to make that determination and this must be subject to further discussions with regard to reallocation. Which I agree with Judge Rosenberg is a different matter. This language is approving the updated RAS model parameters for use in estimating court staff workload needs. Can get a more specific than that. You really can't. And I'm a member of the trial court working funding working group. There was a presentation made by the SP 56 group to that group which includes the Governor's folks and Department of Finance folks and people from the legislature. And there was a presentation done by the subcommittee of the trial court budget working group. On two completely different matters.

One was a model to help us as a base and the other was a more expensive model to help us reallocation. There's no confusion. They have been presented with how this body is going forward with respect to reallocating the funds that we get. And that language that's proposed is not acceptable at this time because you're asking us to adopt parts and I have no idea what that means. I would ask this group to follow Jacobsen's motion to adopt the proposal as recommended.

>> Justice Miller.

>> As a judge I always like seeing this with all due respect. [ Laughter ]. Hearing it.

>> I like seeing it. You know. That's right I know. Because we hear it all the time but I actually think the amendment has more uncertainty and doesn't clarify it and I think two, what it does is actually a compost what you don't want to do. It makes this now a funding model and two, it ties our hands I believe as a counsel if we were to adopt it as it stated to what we're going to have to do in April and June when we have to vote on what the actual allocation method is. In essence is saying that it would be used for that model that's being prepared by the PJs and that the model we have to approve. I think it's very simple and completely clear. We're just approving it. And we are not saying for what purpose and may be used for. It may come back to us and we don't use any part of it. But you have to decide today what parts we're going to use and how it's going to be used and whether it's going to be used and approved by the PJs just for their model or the other working groups model I think causes all kinds of confusion. I think the most gripping as we're just thanking you for your work and approving what you've done for what it was limited to. Estimating court staff workload needs. If someone wants to use it for some other purpose we are not going to be able to vote today to prevent that.

>> Justice call.

>> Think UG. And really building on justice [ Indiscernible ] comments I have heard Mr. Carlson's concerns and Mr. Yamasaki's concerns. Chaired by Judge Earl. As to maybe an improper use of our approval with the legislature. I think that if we learn that the case we have methods by which we can clarify any attempts to have a misreading of our motion today with the legislature on the other hand I am concerned about the legislature. We have a trial court funding workgroup. We have Judge Earl's subcommittee. And the reason we are here today on these issues is because frankly as far as I can tell we have done nothing about these issues since 1997 or before. And my concern is that if we amend this motion in a manner such as Judge Earl's suggests that it will be not clarified. It will be crowded. To the point where those who wish to say it and then they said was some justification and that is that this is a [ Indiscernible ] way of just trying to maintain the status quo. And I think that is vastly more dangerous to us in the Legislature than any effort to misread this motion.

>> Judge Rosenberg and then Judge Earl.

>> I've been listening to all the comments and there's a third option. That's available to us. That might be the best option. We have three groups that are working on issues. We have the SP 56 working group. We have Judge Earl's subcommittee. We have the trial court funding workgroup.

At our next meeting in April we should be getting -- we will be getting reports from Judge Earl's group and also the trial court funding workgroup under justice call. And so perhaps they should all come together at the same time to reduce any -- anyone's discover level. So a third option is simply to table this issue until the next meeting of the council. And we can deal with all this in a very comprehensive and simple way and avoid any misunderstanding or confusion.

>> So that's an option. >> Let me hear from Judge Earl and then Judge Albany and Carlson again.

>> The concern is to make sure we distinguish as Judge McCabe said how this is going to be used. And I think that's important whether we do it by the proposed substitute motion or whether we do it by the motion that's proposed by the working group with a second motion to follow the distinguishes how the child core budget working group revisit. Officially a college the same purpose but that is are concerned that we distinguish how it will be used into funding allocation method.

>> Judge Earl I believe it was.

>> I would just add that I would be concerned with anybody using the work product of the SP 56 working group until was approved by the council. Said to Judge Rosenberg's concerned that everyone can come together in April and be using the SP 56 work until it was approved as a chair I would be uncomfortable with that.

>> Alan Carlson.

>> An answer to Judge O'Malley thing to be updated RAS model parameters is extraordinarily ambiguous. And that's the problem. A lot of different people have a lot of different motions about what a RAS model parameter is. Something -- is something of the funding model. So that attempt of emotion is to say we're going to use that part of the RAS model that estimates the need for core support staff workload.

>> [ Indiscernible -- multiple speakers ]. Get rid of the were parameter.

>> If RAS model is a term of art that has eight budget meetings right now that's the problem. We can't -- that's ambiguous. If you leave it like that. This was an attempt to say we're going to focusing on the part exactly and the judge says it's the most useful in the sense.

>> [ Indiscernible ]

>> Would it satisfy the concerns of both letting the legislature no is intended by this and those that are concerned of how it would be used if we added a specific disclaimer that said that the updated RAS model is not intended to set funding needs for any court. It is merely one tool to use of the budgeting process.

>> Yeah. Yes.

>> That's a friendly amendment.

>> I would second that.

>> That's good.

>> [ Indiscernible -- multiple speakers ]

>> The updated RAS model is not intended to set the funding needs for any court. It is merely one tool to use in the budgeting process. And on that I would withdraw my substitute motion.

>> Let me skip it -- there hasn't been a second to the substitute motion but it has been withdrawn. We have on the table I believe is the first motion recommending the language in our written document that the amendment friendly amendment that's been accepted by Judge Jacobson but I don't recall if there was a second to Judge Jacobson [ Indiscernible -- multiple speakers ]

>> I didn't think there was a second to the original

>> Judge Rosenberg second the original with a friendly amendment now which is that her.

>> [ Indiscernible ].

>> [ Indiscernible ] but first as to the recommendation of the fourth option. Is there anymore, nor discussion? Payment I would like to invite the chair of the committee to [ Indiscernible ] as to the amendment.

>> We could limit that.

>> [ Laughter ].

>> No further cash -- discussion. All in favor of the recommendation as stated say I. Any opposed? Matter carried.

>> Thank you.

>> [ Background Noise ]

>> Again I want to thank would -- for all the work done -- Judge Oxley and Dag and Leah and the committee for SP 56. Thank you very much. Long hard years and respected and well awaited and anticipated. A deep sigh of relief and gratitude on our part. With the understanding that we are still considering whether it will be a continuing advisory committee to council. Thank you.

[ Applause ]



>> We are ahead of the agenda. However the agenda times are very -- we have until 12:15 for lunch. I wonder -- [ Indiscernible ] that he can present and start presenting on item letter and fax here he is. Thank you. And Stephen.

>> We are taking a Trial Court Trust Fund allocation 2% state level reserve action required. Will go for as long as we can on this item until we break for lunch at 12:15.

>> Good morning, Chief. And members of the council. We're here to discuss and allocation of the 2% state level reserve. [ Indiscernible ] for unanticipated an emergent needs of funding for trial courts. If you recall we have to requested for you. Kings County and San Joaquin. I might add this would help with the time is based on your prior actions regarding the benefits funding the San Joaquin request is no longer necessary in terms of your approval of any funding for them. But we still have the court here to present on the implementation of the court assessment and review team as was requested by the council. So we will focus the discussion in terms of your decision-making regarding the Kings request.

>> If there are no questions I will proceed. In September the Kings scored did submit a request for urgent needs funding based on a negative fund balance which is a primary criteria for qualification of a \$2.3 million in 12-13. That was based on an expenditure of \$2.1 million for a case management hailing case management system as well as \$142,000 budget shortfall. At the council meeting in October the council allocated the maximum that was allowed for our process which was the court's contribution to the 2% pot of 94,000. It's to let this issue of the case management request to be decided later. The court did submit on January 30 its request with a smaller need of \$1.97 million. The \$2.1 million with a CMS at this point absent those expenditures they did have a positive fund balance the Vista qualified because as an assumption that they will need to make some expenditures this upcoming year so that gets you to their negative fund balance which qualifies them for consideration of this process. So we have two options that we put before the council for your consideration. One is to deny the request and have the county court continue on its mainframe based with the county. We note though that in part of your consideration that based on this -- this would occur that cost would increase to the court starting in 14-15 42 factors -- court accounting costs as well as additional programming costs. So what we see here is that if we don't invest in it the court will be before you again at the future likely asking for additional resources just to cover the cost of maintaining their resisting CMS. Second option is described and I will have Judge Herman to talk about the work of the tech committee but it's a modified approach. It addresses an issue of potential a providing them the entire of their request over a five-year period but we limit the potential allocation to the amount that is identified for need only in this 12-13 fiscal year. But the 12-13 fiscal year. And that as we evaluate their needs going forward we do look at the potential savings as they would cycle off of their local county system. There are some terms and omissions that were identified by the tech committee that were part of this recommendation. So I think that's a high level issue and another Judge Herman would like to make some comments. The court is here. This some comments from Curt Soderlund as well.

>> Could you just back up one slide just for a moment so we have a correct? It is 773 house and to be allocated in 2012-2012. I think that's 2012-2013. But as I understand for the court maybe the court can address this where we are today this the reason why it's frontloaded first of all because of

the deployment process but secondly that \$773,000 would not be expanded in this fiscal simple because of the delay in moving forward with the project. It would be significantly less of that amount would be spread over the five years in increments.

>> It's 730 [ Indiscernible ] there's a typo in that line into places. At 733 for 1213 a knowledge and that there would be [ Indiscernible ] and also to the extent that an allocation would be in the fund balance available for the distended the subsequent fiscal year and evaluate what resources we need to add the 13-14 fiscal year to continue the project.

>> Good morning and Steve Barnes from [ Indiscernible ] Superior Court. I am the lucky person to be [ Indiscernible ] Assistant Presiding Judge as well as, discuss with you today. I've been working on this project for a long period of time. Just a 700 to 772 roughly 733. The difficulty is that the emergency that we have has to do with the county and this is throwing us off their main [ Indiscernible ]. That's the emergency we have. We have an old cobalt system. Not a bad system . It's difficult. The last program that was retired was in their 80s. It's difficult to keep it running. We will have to get out of that. The difficulty that we have and why we have to frontload that much money is because we expect at least for the first 12 months or less to spend probably \$6-\$700,000 in the conversion process from our legacy data on 83 cobalt systems are put in a new system as we selected in our application. In essence that's a long and short of it. That's the difficulty. And we can do that between now and the end of June of this year. I mean we could, but it would be fiscally appropriate to just give somebody that money. We have to borrow and pay for our COBOL programmer and project measures in many things we have to do that we can do before the end of June. The other problem is that the flames in our house are reaching the ceiling and we're trying to get the speakers to come on and that's why we're here today. And the reason is if we don't get started by the time the county gives us the boot if we don't have a new system in place we're not going to have any way to access our latest data. And it's not a process that will take three or four months. We expected to take at least 13 to 14 or possibly 15 months. Just to get the system to go live. We expect it to get approval today to enter into this contract as quickly as possible to begin negotiations. And then get this process on the road.

>> So I probably went a little further than Judge Herman wanted but nonetheless is there any other questions I can answer?

>> What I would like is occurred because I think the council needs more walk through of this first of all -- what the urgent need is because -- needs are something that for the long-term strategic planning on technical side as well as what the subcommittee [ Indiscernible ] budget working group is looking at addressing court needs is going to be something that's going to be developed over time and this is a project that probably can't wait for that overall strategic issue because of the emergency. So if you could walk us through number one what the perfect storm this court is in regarding their case management system in terms of first of all the county categorically declaring that in the sometime during 2014 the county is going to pull all of their functions off of their mainframe with the only remaining resident or [ Indiscernible ] of the mainframe being the Kings County Superior Court. Which is going to shortly double what they have to pay for the services from about 255,000,000 to 530 -- hundred 55,000 to 536,000 annualized. And secondly there also going to care the cost would that remain on the current system of cobalt configuration costs

February 26, 2013

regarding the annualized of keep in terms of statutory adjustments to the system. And it's pretty clear that in terms of funding at least at this point for technology without the planning process that's going to go forward if there are no options for finding other than 12% fund balance at the state level CTA and that [ Indiscernible ] is Coakley told us they will not even accept a budget change proposal which is how we initially looked at supporting Kings counties a proposal. So the issue is do we choose to continue to accept applications on an annualized basis from Kings to help them cover that doubled gap between the county -- county services as a presently exists and if it will exist or do we from a cost-benefit analysis and return on investment say look that money is better in terms of go forward better contributed to giving them a system that's going to at the end have a definite cost-benefit analysis in their favor. With I think what the out year they jump to \$430,000 base payment and then additional cost for cobalt that out up to 536. Walk us through that so the council can see where we are going. In part we first looked at this as branding them out right issue out of the 2% 2.1 million and that as a couple of aspects that are a problematic. The first problem is that gives them a fund balance of the current year that could be swept either this year or next year. Second it doesn't give us as a counsel oversight and control over how those funds are expended and how they are accounted for by the Kings County Court. And third and fourth. So again I invite you to walk the council through it and take a look at the materials on the tables that are included in the support for item N.

>> [ Indiscernible -- multiple speakers ] statement I want to say I understand it would probably be better if we are ready had the strategic plan for technology for the branch in place. Unfortunately we've been working very hard to. The technology committee. We've been working extremely hard to get that moving and as you heard tomorrow we have an all day meeting with CIOs and CEOs and judges and outside individuals to begin that process that will take approximately one year. So yes, it would be nice if we had it in place and could tell -- could decide based on that that we can't. So we have to deal with King as it is right now. And it makes sense and Curt will go through more fiscally it makes sense. To go forward with Kings. I had asked the question that our phone conversation who else is asking for this fiscal year and the answer was no one. Just a Kings at this point. And I would hope that if we do approve it that we would be able to leverage whatever process Kings goes through to enter into a contract for CMS so that other similarly situated -- could piggyback off of that process. I see that as a potential cost-saving.

>> I had one comment. We are struggling as justice as Brinker said within overall strategic and tactical plan for where we go post CCMS. Mary Wigley the technology Summit recognized there are some interim problems we must address. We can't wait or the final strategic plan that's approved by the council where the technical plan to put out some fires that exist. And with this [ Indiscernible ] we tell it that at the only other remaining one is Kings county. I think if we have to address this even though we don't have a tactical plan and Mary Wigley said this is expected. It should have interim plans to address. Also this is not a very big bite in the big picture. It's a relatively small amount. And instead of paying it out in one bite we're spreading it over five years relatively smaller increments we place the conditions we suggested include controls that will pay invoice kind of basis and pay it as you go. And I think it's a pretty conservative way to deal with it and address the problems this county is facing. And dollar wise what is a pound foolish or whatever it is. Penny wise and pound foolish. If we don't get them the money now I think of the long run its

way to cost more to pay for this whole antiquated COBOL system that they're working with their counties. So I think it's a smart move.

>> Judge Jackson and then Judge Ellsworth and then judge [ Indiscernible ].

>> I agree with Judge [ Indiscernible ] but I am concerned -- it was raised briefly in the precondition. Regarding the project manager that you would have to hire a project manager. And since we're trying to leverage and trying to save would be possible for that to be one of our conditions that we have a project manager approved by ARC or if not use the resources of AOC to be the project managers that may save some of the money.

>> Are you able to answer that question? [ Indiscernible ] I should address -- Jodi are you capable of being the project manager. [ Laughter ].

>> So [ Indiscernible ] [ Indiscernible -- multiple speakers ]. We would provide oversight. We could do that which is Nevada courts as a project manager and my office provides oversight [ Background Noise ] and on budget.

>> Does what I would like to see in this

>> And we would propose Curt Soderlund doing the same process as dirty recommended. My recall that is Judge Maas and Judge Herman indicated this is very similar to the circumstances that confronted [ Indiscernible ] in terms of painting a picture of where the court is that and they been looking at this issue for at least three fiscal years of this point in time and to be in a picture like in the old West when you like the gunpowder it started with a big barrel and it will blow up pretty soon. We had always envisioned providing oversight to the extent that we can and have resources available. My caution is that it so -- division has taken significant cuts of the CCMS reduction in position I believe they have lost 47 positions at least at this point. I to clarify a couple of things. There's a chart in your materials that identifies a figure of \$791,000 that makes it look like the project will stay in the red. The unfortunate thing about this chart --

>> Page 11 of the report.

>> If we had is extended the chart out another year and a quarter that is when you would meet the breakeven point forward the project would then start to be in the black looking at the cost. That one have to be paid to the county. Another issue that was raised at of the \$142,000 as cash or fund balance if you well rejected at the end of the year I would caution that is a projection and \$142,000 under budget of around a \$.8 million equals 1.61% and to use our technical terms of like budget dust. And we would anticipate that the court is going to have cash flow problems next year the cost of the very thin margin.

>> Can I stop you to find out if Judge Ellsworth or Judge Elias previously had your hands up during the previous discussion would like to raise a question or comment now?

>> I do. Judge Elias.

>> Sorry. Don't withdraw. [ Indiscernible -- multiple speakers ]

>> I've heard all this conference calls in a bit on the tech committee listening to this and I have concerns. I understand the need for money and I understand the system problems. I understand that. I have two major concerns. Number 1 I think we're going down this path of ad hoc giving money and I think really need our plan faster. We need to get some strategic plan and not do these one at a time this way. We don't have -- we just have to get it done fast. My second concern about this particular project is that my understanding and it shows on your chart is that they are going to save money after I think starting in 2014 because they're not going to be paying the money to the county that they were paying now to use the service. And there is nothing of the proposals here to provide the that money they've saved has to go to offset the cost of their computer system. So they are receiving money for the computer system and that they're getting money -- saving money from the county for the computer system and it's my belief that we should have a resolution that the money they say that they would've paid to the county which is in the chart should be used to offset the money that the AOC that we all are paying for their computer system. And I understand somebody said well it would be a good faith and they will do it looking at of that I believe that PJ, go we all know that people remember things differently. Their recollection is not uncommon. And that we should put it in writing that with everybody's understanding that they would but I think we should put it in writing so it's very clear for future generations when we're all office counsel at that PJ has changed. That that is the expectation. I have to make one comment. I read this week that the LA Superior Court criminal division is on COBOL .

>> A lot of us are.

>> So Judge Kaufman and Judge of Bremen and Judge Herman and the Commissioner Alexander.

>> Basically you have to understand all the request is that we approve \$2.1 million over a five-year period of time that the first year they get \$773,000 -- \$33,000 and in the request after that they have to come back to the oversight either through [ Indiscernible ] were current or whatever and justify what they are doing. At the same time there will be looking at their fund balances. How they are spending money. It if they're actually having a fund balance and putting money they will get all the money. The other side of point is that we can go to our vendor and say we want you to put a system in if you don't have a guarantee of funding for the whole point. So over a five-year period we will allocate \$2.1 million with a total oversight if it takes -- if they had fund balances we won't give them all that money. So they will be oversight and approval. They have to justify it and as Emily said as I agree there has to be oversight and we have to delineate that. But I don't anticipate this is one of those projects we just dump the \$2.1 million in a fund and they can come get it whatever they want.

>> Judge Bradley?

>> Thank you Chief. First I want to tell you that I sympathize with the position that Kings county is in. As Judge Elias mentioned Los Angeles Superior Court we have 290 core rooms in our criminal division that run on COBOL. Processing million traffic citations a year on COBOL. I have some

February 26, 2013

questions. What is Kings county going to be doing with this old mainframe that they are going to get off of?

>> The mainframe belongs to the counter. Decibel onto the court.

>> I understand that but my impression is that this urgency is created because the county is moving to some different plan --

>> The county has several programs that they monitor -- run on the mainframe as well. There migrating off of the mainframe. That is what -- that is what they're working on now to remove it -- they're getting out of the mainframe business while the CEO Mitel is we will do this but the tech people that have are saying we're getting out of the mainframe business. You figure out what you want to do. That's the difficulty. And if I can adjust the COBOL issue. That was embedded in 1959. It's a good system and there's nothing wrong with the system but the problem we have is that the programmers that have worked on it over the years to my understanding when they come up with a bug in the program they don't reprogram it and COBOL and make it work correctly. They have programs -- programs around that issue and COBOL is easy to do. I started programming in CBM and basic and Microsoft DOS and I've been involved in computers a long time. There is nothing wrong with COBOL. As long as it is program to correctly in the first place. We've had these issues. The COBOL issue is not the issue with us. It is actually the county getting a softer system.

>> Does your county understand the impact it would have to your court and where -- and if it goes down and you are stuck with other options that what you'll have to do to downsize? Payment pretty much yeah. They given us three separate options. The options they gave us widget to me personally -- I don't understand how the county could tell us what to do but none of the last one of them was will give you the mainframe. Udoh put it inside your courthouse. That's good because is 800 grand over the same period of time that a what if we didn't do that. Because you have to hire more IT people in the system we propose is off base non-hosted server so we don't have the tech problems. It's a soft -- software as a service so we don't have other IT expenses for that issue. So I'm not complaining about COBOL we referenced that particular issue.

>> I would add -- there vendor RFP vendor is the least expensive of the vendors that responded to their RFP and which is one of the vendors that was approved to the Sacramento hosted RFP process.

>> Any other comments -- I would have concerns about paying for CMS through in essence the reserve funds. Because in essence we are allocating money they came from all of the courts reserve funds for the purposes of CMS that's going to benefit one court. By concern is what happens when we deplete that balance. This is money that would normally go back to the courts. Courts that are running on fumes. What would happen to the other courts if they don't have that funding. Our record end up having to lay off employees and other courts because we're finding this project as worthy as it may be.

>> I think just in response to that that's one of the issues that we face to the technology committee again. A perfect fit might be well it's this fiscal -- this is the only court that supplied for relief from

the 2% fund balance at the state level. Let's authorize of the whole amount this fiscal . The problems our number one I don't think we want this court in a position to have that fund the balance left a number two and this is a key piece. We want to have control is we're talking about AOC staff having control but as a tech committee and the council will on this we want checks and balances on the Kings court to again make sure we meet Judge Elias is issue which is that this is not going to be a gift to this court. This is to relieve them from the fact that they have the unexpected issue of suddenly having their costs doubled with no return on investment to this court. So we monitor your by year and again so instead of the 2.1 million coming out of that branch level reserve this fiscal that it is spread out over time and as this court turns things around to business efficiencies and otherwise as Judge Elias says they will be required to contribute anything they've got in their fund balance. And I might add -- also add that this court has if you look at the materials taken substantial steps in order to cut back as severe as any court of the state they have combined their [ Indiscernible ] and CEO together to share workloads. I think 40% and 40% level. The mandatory furloughs for all of their staff. Judge [ Indiscernible ] comedy furlough days a month is your staff for load?

>> 27 days a year. Significant staff reductions. And that's all and your materials as well. So this is not a court that is not taken severe measures as many of the rest of us have in order to get their house in order.

>> Commissioner Alexander and then Judge Earl and then judge [ Indiscernible ].

>> My question is a proposal to allocate the full 2.11 with 733,000 this year or is it 733 now and then they come back and ask for the difference because what I can see is this going to be more demand on this fund [ Indiscernible ] down to the 1%.

>> In essence in order and I think this is the discussion. Execution of the contract is relied upon was some level of funding there. So the concept is that the 2.11 is what would be the commitment over the five years with the initial outlay of the 733 with then annual reviews of the need for that years costs it I waited based on their ability with their fund balances if there any costs and the projections. So we would review it every year over the course of five years. They may not need all of the 2.11 it back to walk because they'll have savings in the tail and the woman making a commitment to support them at this level with further analysis each year and about ability they have to make that payment.

>> Does that answer your question? Payment and try to figure out what their position is. If next year or maybe not -- next year or the year after next with regards to when everybody is supposed to be done by 1% if that doesn't change. Then I think we will end up with a lot of requests and I'm not sure how much is committed to them that nobody else gets anybody -- give anything those years or gets last because of the previous commitments of this court

>> A third of it is going to be address to this particular allocation in the first year and so substantial decline to smaller amounts. Get two years four and five when they have these county savings it's possible that we will need to make an actual allocation at that point in time.

February 26, 2013

>> Chief [ Indiscernible ] collectible -- before you get there. Judge Earl and then Judge Marr.

>> I also sympathize with Kings but am concerned about the use of this 2% funding to fund case management systems. ICS as stewards of the 2% funding for the trial courts. Who many of which are hoping to get that back to use of their operations. And we would be depriving them of that. And I think we have to be careful because while Kings baby the only county that has submitted a request for funding to fund a case management program I guarantee you there 57 other courts watching what we do today in the door will be busting down in years to come.

>> Judge [ Indiscernible ].

>> I wanted to respond in part to something that Judge Bremen raised the Judge Earl just repeated. All courts are paying for that affect the CCMS system that's going into Kings county -- that's too. But any allocation from the 2% fund whatever the crisis is [ Indiscernible ] all of the courts are given part of their money to take care of that crisis. So that's kind of goes without saying whether it was CCMS or they needed to hire a new CEO or whatever their emergency is. If the same thing. It's always the case and maybe we didn't create this budgeting model kind of [ Indiscernible ] with that. And hopefully we will have in place to recommend to the council a strategic plan and a tactical plan to deal with CCMS needs in the years to come. That's what we're struggling to come up with in the tech committee of the working group and the task force. But we can't just put everything on hold until we get there. We have to deal with these emergencies as they arise. There's only been a couple of them relatively small. So I'm thankful for that.

>> Judge Baxter and then [ Indiscernible ].

>> First of all a very familiar with the leadership of the court and I'm very convinced by comments that have been made by Judge Herman and those that know a lot more about technology than I do and I would like to move the recommendation.

>> I would second.

>> Second by judge Jacobson and second by [ Indiscernible ].

>> I wanted to comment that I don't see the division that thing made here between a case management system and court operations. Adonai how you operate a court without a management system. And so it's seems to me a false division. We seem to have an emergency in this court that deals directly with the operations of the court and therefore I believe that it needs to be addressed.

>> David Yamasaki.

>> I had a clarifying question and perhaps a missed it information. I think of the proposed solution will be immediate problem is replacing the case management system that supports traffic and criminal I think what I thought I read was that the solution was for all case types.

>> That's correct.



>> And so the urgency behind replacing the other case steps was a question that I had and August leave it at that question.

>> I can answer that just quickly again Judge Barnes. We have all of our traffic and our receivables in the cobalt-based system on a county mainframe as well as our -- another sin system which is our upper court system and another system called Quartz which runs first impairment through preliminary hearing. So those of the three systems we have to get rid of. ACS system that will be replaced into one system. That's how do we get to where we are. And I could back up for one second place. The statute that we applied under we fall specifically at least in our position as an interesting emergency in an unanticipated expense. That's where we believe we fit into the 2%. When I know everybody understands that. The other thing I had to indicate is that you bring up an point which is that how are you going to run a system -- how are you going to run -- we're losing of his employees and laying them off and they have all these furlough days and is difficult to -- enough of their CEO a deputy CEO off of 40 days EJ year . The difficulty is that if we consider to use the case management system we have without going into details it so in labor-intensive for? The we're going to be without that if we get a new system is going to be a large system and macros automation. If one clerk and run the whole system during the courtroom during the day. So if we get a new system will be able to continue to be able to do that plus in no part in any funds that we are requesting today's would've these in any way shape or form to help us with our budget difficulties and are layoffs and [ Indiscernible ] for lows.

>> Judge O'Malley and Judge Jackson.

>> Just a point of clarification Jackson's Baxter. There are two options to deny. The second is to grant. And there are subcategories A-G under option two and I'm correct in asking to approve option to with all subcategories A-G. Statement --

>> I did make a suggestion there was a project manager which is not indicated as one of the conditions.

>> I know but the answer was there will be a project manager but there will be oversight by the [ Indiscernible -- multiple speakers ].

>> Destroyed to make that technical response now? Then I just to clarify on the 2% it does not come from reserves. The 2% was taken from the base allocation. So in effect up to this point the courts have received the trial courts have received 98% of what they otherwise would have gotten. So after the council take these actions whatever is left will be reverted back to the trial courts.

>> What we have before us is recommendation number one option to A-G. Any further discussion or comment not airing any I think we will do a roll call vote here. Statement --

>> We will call the roll as to item [ Background Noise ] approve the recommendation an option to. These signify by saying yes or no.

>> Justice [ Indiscernible ].

>> Yes.

>> Judge Baker? [ Indiscernible ] yes.

>> Just as Baxter? [ Indiscernible ] yes.

>> Judge Bremen?

>> No. Appearing telephonically is Ms. Davis. Ms. Davis?

>> Their response to the call. Judge DL but?

>> Yes.

>> Judge Elias?

>> No.

>> Judge Ellsworth?

>> Yes.

>> Record should reflect that assembly member Bloom is not present and Senator. Evans is not present. Mr. Cox?

>> Yes.

>> Judge Herman?

>> Yes.

>> Justice Holmes?

>> Yes.

>> Judge Jackson?

>> Yes.

>> Judge Kaufman?

>> Yes.

>> Edith Matthai ?

>> Yes.

>> Justice Miller?

>> Yes.

>> Judge O'Malley?

>> Yes.

>> Mr. Robinson?

>> Yes.

>> Judge Rosenberg?

>> Yes.

>> The motion carries with it to know votes.

>> Thank you.

>> If I may, Chief, there is one remaining action [ Indiscernible -- multiple speakers ] there is one remaining action item. Since the benefits funding has been approved by the council to San Joaquin issue is no longer needed to have any action regarding them. But the recommendation for the council now has to consistent with the statute allocate any of the remaining -- remaining funds that have yet to be distributed so we need to get that action and it will go back to the courts and the same proportion that it was taken from them just [ Indiscernible ] could've been allocated so we have 94,000 previously pertains another action today the 733. So the balance of approximately \$27 million would be going back to the trial courts to get them to very close to 100% of what was appropriated for them.

>> So just for clarification. On a red materials which is taking care of a recommendation number one option two but there's a recommendation number two that speaks to San Joaquin county. Which you indicated previously was no one was necessary and there is a recommendation three and a recommendation for.

>> And recommendation three was related to San Joaquin.

>> We need to take action on recommendations for on page 4 as you briefly describe it.

>> In that regard to our hero motion? 2 I second.

>> David Yamasaki second. By Judge Kaufman and Judge Amoss. Any discussion. Not hearing any all of a recommendation for please say aye. Any opposed. Recommendation carried, thank you.

>> Thank you Judge burn.

>> I would like to thank everyone for their time consideration especially Judge Herman taking the time on the committee to go through everything with us and I would also like to point out that our reported citing Judge as well as the assistant [ Background Noise ].

>> We don't really care about [ Indiscernible -- multiple speakers ]. >> I think that this is a good time to take our lunch break before we take up the other matters on the agenda. I heard a second so at this point we will recess until 1230 12:30 PM -- I'm sorry.

>> Did you want San Joaquin to report on the progress with cart or is the council satisfied?

>> You do have a written report [ Indiscernible ] have submitted with regard to the status of every single card recommendation and I do want to say that there about 78% complete with a recommendation they've made incredible headway in the past several months.

>> I think we're fine but that written report.

>> Thank you Judge Warner and Rosa for being present. Statement --

>> [ Session is recessed for lunch. Session will resume at 1:30 p.m. PST ]

>> [ Correction: Session is recessed for lunch until 12:30 p.m. PST ]

>> [ Captioners Transitioning ]

>> 2012 bay area northern coastal regional office San Francisco balanced and restorative justice bench bar coalition California academy of appellate lawyers California association of county clerks California civil jury instructions judge appellate lawyers appellate lawyers Judge Hull, Judge Ellsworth, judge yam yam Los Angeles Superior Court ?

>> We are back to address our business agenda. We have now reached our last three agenda items for today. OP and Q, all related to AOC restructuring. Before we take up these items, I would like to make a few brief comments. When I became Chief Justice, I would have requested the review in good times or bad times because it made good business sense to do so. I needed to educate myself about the administrative aspect of my new role as chair of council and head of the branch. The in-depth review of the AOC seems many of my objectives including transparency, accountability and efficiency through a deliberate and open process, the recommendation to the strategic -- under the executive and planning committee. A progress can be tracked on a California court's website and our Judicial Council meeting. The AOC is providing excellent service under harsh budget conditions like the courts, to the Judicial Council, the courts and all we serve. I'm grateful to the AOC leadership and staff that are successfully implementing one of my first priorities. With that,

February 26, 2013

we will take up item O and welcome Judge Jahr and Mr. Kenneth Couch, AOC administrative services office .

>> This is a matter, the class and comp study vendor options determination to be made today that is a time of the essence matter. The agency is frozen in place until a class and comp study has been completed so we can begin moving forward even though, of course, every day is a die national Mick day. The sooner we are able to resolve this question agency wide, the better for our progress towards restructuring not to mention customer service. With that, I will turn the presentation over to Kenneth Couch who runs our HR office .

>> Thank you, judge. Chief members of council, good afternoon, the agenda item before you today as the Judge said is about options to complete the Judicial Council's classification comp review for the entire AOC. By way of background, we initiated the beginning phase of the classic comp review back in August 2012. We selected 39 classifications 225 employees and it was primarily for fair labor standards act designation. Put that in perspective, we have about 718 regular employees. Those preliminary findings are scheduled to be reviewed with the executive office March 19th. That's the initial phase. Further background in at your August meeting directive 19 was passed by this council based on current staffing and expertise levels we should consider an outside entity to conduct the classification and comp review. We have three options for your consideration this afternoon. Option 1, is the organization wide evaluation by AOC staff. This is essentially what we have been doing [ inaudible ] this would entail that women complete the top to bottom -- we would complete the top to bottom review for classification and compensation purposes and conclude any fair labor standards act issues. The pros of option 1, it is the most cost effective. There are no additional costs. Another pro for option 1 it maintains the time line. The time line for option 1, we expect to have the complete class and comp study results to the executive office for their review and any policy determinations in December of 2013 and another pro for option 1 is it would enhance our ability for future maintenance of a proper structure. A note about that, anybody who has taken a look at the AOC classification structure and if you are in the classification business, would wonder how did it ever come to look like it does today. Part ever of that is we have never completed a top to bottom classification review. We have made increment that will adjustments in the law of unintended consequences certainly applies to our classification structure as it is current. If we do the top to bottom review, we are the ones who performed the original review which makes the every two or three update much easier to maintain by our HR staff. Some of the cons there could be a perceived lack of obtaintivity. I'm extremely confident in the HR staff that we would provide a very objective analysis based on imper Cal evidence we would select. I understand that there could be a perceived lack of obtaintivity because we would be reviewing our own classes and I would be reporting to my bosses. Another con if we do it there could be some delayed service delivery. Let me talk about that. That is essential resource allocation. This is a huge undertaking. Top to bottom review like we are talking about, the most comprehensive review you could perform of any organization particularly of this size, the magnitude. It is not that we wouldn't be able to do anything but the class and comp, we would have to prioritize.

>> The cost as I indicated earlier, there is no additional cost. Some people might refer to this has sunk cost. We will not have to hire additional staff to do this. Our current staff is trained in there.

February 26, 2013

As I mentioned when we began the projected initial deadline of December of 2013. Justice Miller mentioned earlier in his remarks there were 14 judicial directives that are tied to this study .

>> Option 2 the same type of review would be performed by an outside vendor and entity. Same type of work would be done and we would work as project managers. Including FLSA recommendations. A proto option 2 is it certainly answers the question of objectivity. We would be -- objectivity, we would be paying an outside source. Testimony certainly could reduce any perception of bias and a third bullet, it certainly would decrease demand on the limited resources we have in HR. Now, the cons on option 2, it is cost prohibitive. It is the most expensive of the two options. We will go over that in just a moment. There could be a loss of time and resources already invested. When I started out, we actually started in August of last year. We have six or seven months invested in the type of review HR recommended which was a comprehensive top to bottom. Depending on who the outside vendor who was awarded the vendor [ inaudible ] some of those resources might have been wasted. If we hire an outside vendor that is different than what HR use, we would have to train ourselves to be able to maintain that structure in the future. The cost for option 2 we have three projections of costs here from three different SOss. The first one is three quarters to \$1 million to do a comprehensive classification and compensation study and that information I believe was provided in 2010 by a consultant through the SEC. In 2009 -- late 2008, we went through the entire request for a proposal process to do the type of study we are talking about today, not quite as comprehensive as we have in mind for this one. We were getting ready to award a contract and the budget issues came out and we could not contract. That estimate was about 400,000 and the top three bidders ranged between 374,000 and \$950,000 in 2009. In late 2012 we did a request for information where you can't get as specific as you do for a request for proposal, asking some of the vendors who have the capability to do a study like this. We received a range between \$100,000 to \$750,000. In option 2, the time line because of the time necessary to do a new RFP and ramp up time if the new vendor is not at all familiar with the AOC, the time for completion in option 2 would be pushed back to September of 2014. Option 3 is a hybrid, where we would do the comprehensive classification and comprehension analysis but we would hire an outside vendor to over site because we recommend -- we like to use the hay methodology which is proprietary, Dear Sir the most objective methodology out there. It provides the most ability at this analysis on -- objective analysis. We would test the hay group with performing the classification and compensation analysis for the executive class, for the managers and above in the AOC. We would continue to do supervisory and below and have the same methodology applied to both.

>> The pros of the hybrid method option 3 as I mentioned the hay group develop as proprietary method which we currently use and our staff is trained in. I look at it this way, we have one chance to do a top to bottom classification and comprehensive review. Rather than sending every employee your class spec and say whether this is what you do or most of what you do and tell me this is none of what you do. We sent them a questionnaire and said tell them what you do every day and then reviewed those prescription questionnaires with the supervisors. Our intent isn't to make sure that they are working in their class, it is what are you doing every day and at some point will we need to reconcile that, what it is that the AOC needs to have done every day. By using option 3, a hybrid, we will continue with our methodology. This would enhance objectivity. We would not be the final arrest by tore on the classification. The outside group that developed the methodology would have to in fact [ inaudible ] the cons for the hybrid method, there are costs involved. Our projected costs

February 26, 2013

for this option would be between 100 and \$120,000 to do the limited work that the vendor is to do, verify we are applying the methodology correctly and perform the classification review and this would include a customized salary survey for the managers and above classification. The other con on this one is the complexity of the methodology. It is the most difficult and time consuming to apply but we believe it is the best method to do this. The cost as I indicated approximately 100 to \$120,000. On this method the projected completion date is December of 2013. I'm optimistic if this is chosen, it might be earlier. I'm hesitant at promising. December of 2013 ask the target date for option 1 and option 3.

>> The next one is a summary of the three options for you this afternoon. The methodology that we have talked about, projected time line and in the cost -- you can see it all as like a picture. Chief, that concludes my presentation and I'm sure that either the Judge or I would be glad to entertain questions.

>> Justice HALL.

>> I was wondering, you mentioned that the haze methodology is proprietary. I understand that. If the HR people that are involved in this, if they are trained in that methodology and then at some point down the line there was a need to take another look, amend, re-visit this subject, would we be obligated to --

>> No, they will train other people and they have trained all our people but other vendors can't use it.

>> Justice Miller.

>> I want to go to the last line on page 6 of the part that says "option 3, it says the hay group would" and there is three bullet points. Over site and [ inaudible, low volume ] evaluation methodology and the compensation structure per the classification of supervisors and below. Can you tell me what that means?

>> That's a little word key. Under that option, we would do the supervisors and below and they would verify that we applied their methodology. The hay group would do manage he and above and we wouldn't be verify has gone they do.

>> How do they validate that.

>> Using the point factor analysis that they developed. We would show them how we applied their own methodology -- instead of whole job comparison where you compare one job against another job, the hay methodology as you break it up and you value those against other component parts on the job, we would demonstrate to the hay group that we have correctly applied their methodology.

>> When they say they provide over site, does that mean they would come back to us or to you and say "we think you did it correctly and adequately and right or would they may be come back and

say we don't think you did it right and here is what you need to do or we are not sure you can do it by yourself. Consider hiring us."

>> Probably one of the two options you present Ed. Since our -- presented. Since our staff is trained, we -- in this particular classification, we think you incorrectly applied this. But it is not intent under the option that they would come back and say you have done the entire thing wrong and you have to hire us to do the whole thing.

>> I guess what I'm asking as part of that if we were to select that option, I guess what I'm saying is I would like from them who are the experts to tell us what I just said that you did it correctly and right and is that we can be satisfied with that or something else needs to be done. I want some report back to the council to make sure that the portion that you had under taken had been within their model and done correctly.

>> Absolutely. If you choose an option we have to sign a contract with hay and there will be deliverables and one of the deliverables will be yes, you did it right or no, you didn't.

>> So the council at that time could decide we have spent \$100,000 and we are not happy how that supervisor and below portion was done and now we want to hire somebody outside to do that.

>> Yes, yes.

>> I just had a couple of questions. It sounds like the HR division has been continuously working on this since August. That would have included being trained by the hay gripe; that's correct?

>> Actually the hay group training occurred before August. I don't want to do all the history. We have been trying to do -- I have been here five years. We have had starts and stops. Hay group has done limited studies for us in the past. Having worked with them, we liked their methodology so we had our two senior staff train in this before August.

>> Was there investment in resources or money did -- did we pay hay group for the training.

>> Yes, it is limited. They will let you do it but not another company or vendor.

>> Is there some reason that an RFP wasn't issued after the Judicial Council directive at the end of August and instead there was a decision to go with an RFI?

>> Mine understanding of the directive was that we should consider. What we want to do is get baseline information. Once you do the RFP, first of all, it takes longer to do it and I didn't want to be in the position to spend three or four months to do an RFP and stop -- [ inaudible ] in August. We decided to continue to do what we did in August and get some baseline cost to identify vendors who could handle this magnitude.



>> When our HR office initiated their efforts on August 1st of last year, we had already been planning for at least two or three months prior to the August start date to initiate that which that was already in the planning phases before the SEC report was even issued.

>> And last question, you agree that the step towards hiring an independent entity cannot occur without an RFP be issued.

>> If it is option 2 and it is the full blown review we will take the RFP. My indication with business services it would be a different source contract.

>> Thank you.

>> Judge Jackson and walker.

>> You repeatedly said rather that you like their methodology and it works for AOC. Can you tell me what is it about their methodology and why does it work for us?

>> Your Honor, it breaks each position down into its most critical component parts rather than comparing one job to another job. We believe it provides the most objective analysis of what a job is worth which is what this is talking about, classification. Rather than -- let me give you the easy yes example, a lot of vendors even the hay group will do this depending on cost. They will send the employee class spec and say if it all applies, B, if most of it applies and C., if a little bit of it applies. And they will commonly refer to it as a desk audit. They only look at the self identified problems which we have never under taken a study of this. We didn't want to rely on self identified problems. We wanted to review everybody -- they have a review with the supervisor and the way to give the most objective information on that is to break jobs into parts. Accountability and decision making and know how. You can ring very high on a job in accountability and maybe that doesn't rank as high on the know how or vice versa. You get to break jobs up. How does that relate in total compared to another job in AOC. It provides the most objective information of all the methodologies out there.

>> Judge Walker?

>> pgh

>> Thanks for letting me comment. I wanted to backtrack for a moment and look at the problem in context at least as far as the FCC side. I don't know if anybody has read a classification study. It is not a sexy document. It is absolutely critical and fundamental to management of a large organization. The example that is we gave in the SEC report about the need for classification if it you take people who are working at AOC as attorneys, there is a legitimate study that could be what are they doing in their jobs. Could it be done by a paralegal or -- those are the kinds of issues that job classification study looks at and just -- this is something that has to get off the ground soon because there are other recommendations and structural changes that will hinge on the classification study and so to sort of repeat some of the comments we made in our telephone conference, what predates all this is really a broken system. There was a -- I think it was mentioned

February 26, 2013

in the report since 1992 the AOC hasn't done a complete full study. There have been three partial studies of different divisions even though the admittedly the HR classification function was not supported. It is not laying blame on anybody. It just never occurred. So here we are. It troubles me a little bit about the recommendation, there seems to be a push at least from Mr. Couch and perhaps other staff members to go with the hay group and what bothers me is if we look at the display on the screen, there are estimates of \$750,000 to \$1 million and that cost range is attributed to something that was said to the SEC. I would hate for anybody on this Judicial Council to base a decision based on that number. We had several management consultants in our SEC work and one of them mentioned having done classification studies that that was his estimate of what it might cost and somehow it wormed its way into the report. The point is I don't think anybody knows what a full blown classification study would cost and it would seem to me even though there might be a little bit of delay, I don't know why the hay group train is being driven down the tracks. It seems to me the question should have been put to the Judicial Council sooner rather than later what is the best most transparent way to approach this and it seems to me that the best way would be to put out an RFP and find out what the real cost is, find out what the services are that could attach to a classification study and come back and let the council decide yes, we want to do this. We have information right now. It will cost 1.5 million or \$500,000. But right now to base a decision on a cost range estimate a that I'm looking at would be not a good idea. It wouldn't make good business sense to me. The other drawback that I see with this hybrid approach is that it would lack or it would be perceived as lacking objectivity as Mr. Couch said. I think if you had an outside classification consultant doing the entire study, you get internal consistency within the report, you are not attacked for having AOC study itself, if that's a concern and you get a valid entire report that then the AOC can hang its hat on and we can move forward in terms of the restructuring that most occur in classification study has to occur because it will relate ultimately to the classification study. So the other small point I would make and it is noted in the report to quote, the hay group method of job evaluation is complex and time consuming. If there is a desire to get on the train that is already being driven down the tracks and go with the hay group, it is a complex, proprietary methodology apparently and just like any consulting, I think you will find a number of different ways to attack a classification study. I'm not saying that the hay group isn't well qualified. They may be the best vendor out there. We don't know what the other approach is to the classification study would be or what the cost would be. So if I had to weigh-in, I would say option 2 would be a good way for this council to go.

>> Judge Mick kid and then justice HALL and Judge Kaufman.

>> Thank you for the privilege to serve the branch by being an advisory member of the Judicial Council but for my member on the SE C., I would be -- walking through the COW patties. Thank you very much and enjoying the process. Number 2, I'm not here to lobby or suggest that we use any particular entity to do the study today. And the reason being in looking at the options we should be looking at primarily three factors, reliability, how exme di shoes can it be done and cost effective can it be done. Those are three primary factors that are driving this wagon. When I look at the three options, it is difficult based on the limited information we have today to determine which one. The number 3 hybrid using the hay group may be the answer and I will readily admit if we go through this process and it ends up being 3 and we end up using the hay group. Hindsight is 207/20. You just don't know. Using the inside source, zero dollars. There is a resource problem. I think

February 26, 2013

everybody recognizes that would create some huge internal problems being able to service all of its customers if option 1 was chosen. 750,000 to \$1 million, option 2. I think I made that comment in the E&P meeting that one of the consultants had said that to the SEC and that was based on factors and the consultants work in the industry doing comp studies himself but that was dated. We are in a different environment now, very competitive, pricing has changed. The players have changed. I recognize hay is a player in the industry and I think they have a fine reputation. The question for me is for option 2 is what is the current value? I don't know. I have heard an argument, it will take three or four months. What will happen between now and three or four months. Since 1992 there has never been a compensation study. In approximately the last being in 2005 if I recall my information from the SEC data. Three or four months we are now rushing to Jim because we got to -- judgment because we have to get it done in three or four months. I think this as you have indicated, is a linchpin study that affects 12 to 14 other items that came through the SEC. It is critical. It is important and like any house, the foundation is the most important. So for me, I want to make sure that we get this right. I can't tell you whether number 2 is better than number 3. 178 is best for me -- 1 is best for me and it doesn't cost us anything and I would be fine with the AOC doing it at zero cost because based on the three factors I have given you, I think we would be able to do it. You have to shut things down and not be able to do anything else. One is not a viable option. For me it is 2 and 3. If we will make an objective informed decision, I think we have to have information that is accurate and current. So I would be tending to ask not for an adoption of any of the three but -- be floated to find out what the current value is and make a decision.

>> Part of what we do I think what we should do as council members is make sure we understand what the other members points of views are, listening to the judges their points are waved but indeed what those comments mean is we should probably not adopt any of these options today. To take the time -- we are under -- we are all very anxious to implement all the council directives relating to the SEC wishing. Notwithstanding, take the time to go through the RFP process and -- or it will cost a million dollars or less. I will not be inclined to vote for option 2 today and find out that 750 to \$1 million is a good figure. That's a lot of money. Maybe option 4 is let's take a look at what this will cost us if we have an outside entity do it.

>> Judge Kaufman.

>> I agree with what everybody said and -- the only question in my mind we are delaying the classification study which delays us doing other things and I turn to Judge Jahr. Judge Rosenberg stated by going out to RFPs, this is government. There should be transparency. We might find a legitimate cost that is 200 or \$300. Let's take our time and do it right and delay.

>> Justice Miller.

>> If we did RFPs we are not bound in some way that we have to accept one of those, correct.

>> No. Could we do that with it including option 3, what the actual cost of option 3 would be to have the hay group do their limited managers and above so we had an exact figure on that too.

>> Weigh enter you to bid on everything -- we want you to bid on everything top to bottom.

February 26, 2013

>> Mr. Carlson.

>> I have had the bridge of doing a complete top to bottom study. I don't remember the exact cost. It was 150,000 at the most in my recollection. That was 12 or 13 years ago. We have 700 and some employees at the AOC.

>> Yes.

>> That is a thousand dollar an employee to do the study. That's too high. Let's find out what it would cost to do the study.

>> Judge.

>> What is the difference between the RFP process and the [ inaudible ]

>> The RFI is much more journal. We don't get much more specific. We can't. We can't look like we are providing information they can later bid on. We were very general when we issued the RFI, in general terms doing a classification about an organization, not as specific as we will do with the RFP. We say here are your deliverables, we want you to do all these things by this time frame, how much will you charge us?

>> You can do the RFP by when?

>> An RFP of this magnitude, it will take three to foyer months to do the RFP, what it will essentially do is stop the process that we were in right now because we will have to dedicate to the senior staff, to do it in conjunction with business services. It gets issued and then you have the vendor meeting where they ask questions and if they ask significant enough questions, you understand the response anyway. Three to foyer months to the RFP to get costing.

>> So essentially we will know in three or four months the cost of what we would pay to have an outside vendor do this completely.

>> Yes.

>> It is a three or four month delay then?

>> Judge Ellsworth.

>> As a past member of the SE C., I would say as we analyzed and looked at this particular recommendation, we found this area very troubling and very significant so that this is not something that I think we need to rush through. I think that there clearly is significant issues to look at. As a member of the Judicial Council, I want to know how much it will cost and what they are going to do for us and what level of service and what type of methodology they use. I think if it is -- [ inaudible ] it is doing the job correctly, picking a vendor or however we decide to do that that is

best for the future and branch. This is such a major and important issue. I would make a motion at this time if possible, to adopt essentially what Miller said is number 4 and that is to delay and to have that report back to us of not only the cost but what we would get for our buck essentially.

>> And it would include the cost for the third option.

>> I would second that.

>> Judge baker?

>> Thank you, Chief. I'm a little confused of what the cost of the RFP process would be looking at this one sentence on page 4 and maybe you can help me understand this. The cost projection for the RFP was approximately \$400,000 in 2008. What costs are associated with actually going out and obtaining the RFP.

>> The top three vendors came in between 374, 377 and 975. The only cost for the RFP is the staff time to issue it.

>> So option 2, should the cost range be actually between 350 or 400,000 to \$1 million?

>> Yes, it sort of depends on the vendor but based on the information we had a vendor that would offer to do it for 374 and 975 in 2008. You can alter that --

>> That was a limited scope?

>> Yes, it was not the type that we have already initiated where we are doing a tell me what you do with your PDQ rather than look at your class specific indication and tell me if that's correct.

>> It seems like an important conversation we need to have then is if we adopt this motion and these RFPs come back with a range of 350 to 1 million even considering the low end of that range is that something we will be willing to spend to get a classification study done when we have the ability to get one done with the hay group for 100 to \$120,000? That seems like an important conversation that we should be having now before we vote on the motion.

>> Judge Rosenberg and then David Yamasaki.

>> It is a fair question but one we can address at a later time. I do support the motion. We are a governmental entity. I have served on a lot of governmental entities and when in doubt, you go for transparency and openness and you get competitive bids. You make a decision. You know, it could very well be that we will get a number that is a lot lower, right on, a little higher. I don't know at this point. But once we get that information, we can consider the proposals along with the other option of doing it internally or working with the heys group or -- haze group or we can consider all these options. As a governmental entity, we are spending the public's money and we have to be cautious and transparent about it.

>> David Yamasaki.

>> Thank you, Chief. I'm a little familiar with what is involved with doing a classification study and there is a lot of legwork ahead of time that needs to be done and certainly I know in the past several months, Ken's group has assembled a lot of information so I would suggest that if, in fact, the decision is to go out and issue an RFP, I wonder if some of the information that has been gathered which whoever has done it needs to assemble information where some of that could be used and perhaps reduce the scope of the RFP that goes out. App lot of time -- a lot of time and effort will be needed if we have to start this process off again.

>> Judge Baker and Judge Jacobsen.

>> Is there anything that would preclude the haze group from one of the parties responding to the RFP?

>> No, absolutely not.

>> I had a couple questions. One is these materials in your presentation talk about sending surveys to the employees [ inaudible, low volume ] is there a different in the three options in the amount that the data was relied on. In option 2 do they look at what other people are doing or do all three equally rely on employees and I have one follow-up as well.

>> It depends on the methodology on the vendor, the way they propose the RFP.

>> Even the haze group will do the primary thing, their proprietary -- each vendor does a little different -- check a box type of thing, based on the expensive needs that we have on this. I think the way we draft the RFP, we will ask for an extensive review, not just relying on a class --

>> What I'm asking is all three of these -- equally from the employee self employee or is there a difference, option 2 if haze does the whole thing, do they do independent verification and not rely on the employee's description or is that a non variable.

>> All three would be the same as the haze group is one of the ones in option 2. Option 1 and 3 are the same because we are doing it with haze group proprietary. Not all vendors do it. [ inaudible ] check a box method.

>> To what extent does the haze group rely solely on the employees ' evaluation?

>> Depends on how we draft the RFP. We would not want any of the vendors to rely solely on the employees check ago box that classification -- checking a box that that classification fits. We need to make sure we have the right people in the right jobs for the AOC. We want employees not all -- maybe not all 720 like we are planning but a good representative sampling of employees that are interviewed and the more employees they directly interact with, the higher the cost will be.

>> Okay. As option 3, is there some variation of that that could be [ inaudible, low volume ]

>> Yes, I believe based on a previous question, if we ask for the RFP we will ask for two things [ inaudible ] a review of the hybrid option 3 and let all the vendors bid on all of those.

>> That's the substance of the motion is to delay the matter for that to happen with an RFP and report back to council. I believe there was a second to this.

>> Mr. Robinson. Any further discussion. All in favor say aye.

>> Aye.

>> We will see this matter in a few months.

>> One more month, Chief. I would ask that on the report back to the council, be mindful of the line in the report that says 14 Judicial Council directors are dependent on the outcome of the study. We would have a modification of the SEC implementation time lines.

>> Can we do that for the April meeting?

>> Absolutely.

>> Remind you of the time line, judge.

>> Next is item P. The amendment to policy 8.9, the policy on telecommuting or working remotely. Judge Jahr .

>> Good afternoon, couldn't be more timely if everybody has been following the newspaper, the Yahoo articles. When I first read the SEC report when it was released it contained a segment relevant to the telecommuting policy which I was unaware that it had been in place for a number of years at the administrative offices. I sat on the sidelines. My first impression was grounded in my personal experience both in the court and private practice. In my court there were no telecommuters. The judges couldn't and the clerks wouldn't telecommute. Most of mine have counter responsibilities. It struck me that it was interesting in a an agency that was the customer service agency for the council as well as for the courts directly and indirectly would have an employment option, a flexibility option, if you will, that wasn't generally available in the offices of the customers that it serves. From private practice, I knew how valuable our employees were. They essentially determined whether your business because after all a private law practice is a business would work or not and I also knew that the value of productivity is crucial to the maintenance of small business. You can't rest on your laurels. What happened last month or you will quickly find yourself out of business. I brought that from my view the home. My initial surmise is it can't make it more productive but degrade the quality of work. Perhaps the recommendation was to bring it into compliance and propose amendments that maybe the best outcome would be to simply discontinue the policy. When I later came into this position, I honestly thought, in fact, that this would be among the easier decisions or recommendations that I was to make. First step I took was call a couple of trusted friends that were higher up in management of two large private concerns

and asked to speak with them in confidence about telecommuting. Expecting I think to have my impressions confirmed when I learned -- what I learned was quite the contrary. I learned to my surprise that telecommuting is a widespread practice, adopted throughout the private sector and that the private sector embraces it. At that point I turned to Ken who I have come to trust significantly during the period of time that I have worked here, for research to assist me in making an assessment and what I learned was and what the materials I believe you have been provided summarize is that if you have a prudently designed and managed program of telecommuting productivity is, in fact, improved, better concentration, less interruption. It also reduces absenteeism. That sounds a bit ironic. The notion is a person is absent when they are telecommuting. They are not absent from work. Absenteeism is reported to be reduced probably as important is employees are working effectively and the reason for that is we live in a competitive world in which the very employees that we compete with are in a workplace where telecommute something very much in evidence. The public sector information was similar. The public sector later adopted telecommuting after the private sector and doesn't still embrace it at levels the private sector has. Both the federal government and the State of California have endorsed and embraced telecommuting. In fact, a number of years ago I learned that the government code had been amended to set forth that public policy that not only is it an option but embraced as a work process for the employees of the State of California, federal bureau -- these studies also have some cautionary he among them. Isolation depending on the way you design your program can create a real problem both in terms of the absence of cross pollen nation and collaboration which itself can be constructive and productive and it can if it is arranged retard the otherwise appropriate promotion of skilled employees. The conclusion that is I drew personally from what I learned was that will assuming you have a well designed and well monitored program of telecommuting, assuming an applicant lends it testify to telecommuting and concerning there are no performance issues regarding the specific element at hand, the employer is benefitted and thus the customers are benefitted by the presence of a regular active telecommuting program. Armed with that surprising conclusion I turned to the policy that has been in place for some time and has gone through permutations. I discovered in my judgment as a former draft person of instruments of one kind or another, my vie seriously -- view was seriously flawed and deficient. It provides for two forms of telecommuting, regular scheduled telecommuting and ad hoc. The red scheduled telecommuting is defined to mean that the office head, the Director in most instances of the offices in the agency, would maybe the first and final decision. That he or she could extend the privilege to telecommute up to 8 days per month. Nothing more specific than that in terms of how the days would be organized but up to 8 days per month but that's really not the restriction but the policy itself calls out the exceptions will be made at the discretion of the office Director. In other words, the way this policy is established, office Directors can for example, approve an application to telecommute 100% of the time and federal within compliance of the policy. Not the spirit of the policy but its letter. There is an ad hoc policy also which is temporary telecommuting, broken pipe, plumbers coming, can I please stay at home, yes. Ad hoc term will he commuting. There is no -- telecommuting. There is no restriction -- when you leak at the degree of these two or perhaps more -- definition of these two or absence of structure associated with these two forms, exception rules. Not only do the provisions of the current policy contain those flaws, there is no requirement in the policy that the employee prepare any work log or any attorney. There is no performance review structure set out in the policy other than that you annually reapply. That is not a directive. It is a suggestion. There is no agency monitoring process. There is no centralized organization through --

February 26, 2013



for example, the HR office. So we really can't collect data, that is reliable and understand the progress of program, its content or how productive the members of the agency who are telecommuting are becoming. So with that in mind, I set out to develop a modified proposed policy for your consideration consistent with the directives of the council following the E&P public disclosure process. My goal, among others, was to err on the side of -- the second proposal create a different application process. The office Director is the place where the application is logged so the supervisor can review it as submitted by the employee. If the office leader supports granting regular scheduled telecommute can privileges, there would be application materials go to our human resources office so that they are considered in the same light that applications are in the other office throughout the agency are considered for completeness and accuracy and conform tee with the rule. If deemed by HR in compliance with those particulars, then per our proposed policy the application is forwarded to the Administrative Director or designee for approval or disapproval. The judgment of the office Director is, in fact, judged. Some additional features that I think are germane for your consideration is that this proposed policy will disallow regular telecommuting who has supervisory -- there are counter arguments real I have to the capacity of the supervisors even if they themselves participate, my view is one should err on the side of caution. If he or she is gone one day, that is a risk not worth taking. It was suggested, in fact, that we had the words "in any given week," to make it abundantly clear that there weren't functionable days and that has been included. Why one day per week? It is arguably arrest shall temporary. They are in and of them self constructive and productive and improve the operation of an entity so any telecommuting program has to be balanced in a rational way. I think you start with one day a week. Maybe that's where you end. Maybe you discover that the optimum number is one click higher. Maybe there is something more flexible to be cored. In the beginning that is my recommendation. The office Director can't say unless I give you more. There are no exceptions under any circumstances. Further features include that the teleworker who by definition works from home must be working from a home in the state of California. The voters of the state through their legislatures are have not also authorized but endorsed telecommuting. They expect that the taxpayer dollars that pay the wages or salary of the workers will be recirculated inside the state. Also no one would be eligible until they have served in the administrative offices as an employee for at least year. That may be too stringent. My motion is that you want to make dead sure that you know the characteristics of the staff members who are going to be authorized to telecommute. I want the person when driving down that rural road coming to a stop section with cross signs and nobody else will make a full stop. I will also note that the propose reiterates, it contains this language too, you must be available a telecommuter during the workday to the same extent as if working in the office. What that means is if an applicant cannot demonstrate his or her availability by telephone or by e-mail to the same extent he or she will be available the other four days of the business week, the application has to be declined. If a teleworker, his or her telework must be suspended or perhaps terminated .

>> A day work log is now required of teleworkers, just like many of us were in our first jobs. That goes to the supervisor of the employee to review and it goes noire database. If the privilege is suspended or terminated for any reason, that action will be reported to the HR office so we can collect additional data to enable us to properly evaluate the program going forward. The proposed policy also specifies it is the continuing duty of the leadership to -- that should go without saying. That ises a continuing he duty on the part of supervisors of employees who are in the office or out in the field. Nonetheless, it is expressly stated to those who would be working in the home place.

February 26, 2013

Insofar as an ad hoc policy is confirmed, it can't be piggybacked, if you request ad hoc, that must be denied you and also any approvals by an office Director and office away Director along under this proposed policy may approve ad hoc telecommuting without going up the line, it must be reported to HR. We can get the data points and gain a better understanding of how the program is being used. My view is the proposed policy errs on the side of perhaps being veeries strike at this. I know this -- having read the schedule, [ inaudible ] by maintaining any form of telecommuting program. Employee morale is important. Employee retention is also important. Once again drawing on private sector experience, you can't over value those considerations befeater justifies a dead grow days. As I expect provided that you approved this proposed agenda, if in the report it shows that it has been a positive aspect, we could perhaps consider whether it be adjusted in some way or another or maybe even relaxed. I would prefer to pull back than make it Morris strike at this. If only a Friday -- more, res strike tie. We should -- restrictive. If it is compromised or accessed by customers, we should consider going in exactly the opposite direction. The options that are presented in the proposed report is that you determine Nate the program or -- terminate the program or approve it on an ad hoc basis. Certainly those are very straightforward decisions that can be made. They in my judgment run afoul of the legislative declarations or as I submit should shall your preference, we can enter into the proposed new or amended policy which have I believe prudent requirements foreign take and monitoring and impose certain restrictions and we can evaluate in that case the outcomes.

>> What I have said may sound a bit harsh and it may seem perhaps suspicious of our employees. I don't mean it to seem so. Our employees are in my judgment and my experience trustworthy and I have had that experience and it only enforces that. To quote a leader from not too long back, one most trust but verify within the New York Times article that dealt with the subject, the professor of management at San Francisco university summed up as follows: if you want innovation, then you need interaction. If you want productivity, then you want people working from home. ." I respectfully submit that the proposed policy marries the benefits of both and I urge that you adopt it .

>> Judge? , Commissioner Alexander? .

>> Mine is a question. First of all, I guess -- what would be the reason that you would get ad hoc? What would come up that would make them appropriate and the second thing is it doesn't say in this little box who is approving them.

>> It is the office director. Examples of ad hoc would be trial prep, lawyer takes paperwork home and buries himself in his home. Less obvious ones have to do with major project completion, also a circumstance where you have a great deal of work that you could do effectively remotely and as I say plumbing line breaks in the house and you have to maybe sit at home while the plumber is there.

>> In some of these -- thank you, it says administrative director has the approval. That applies to the ad hoc and that sentence should be in the ad hoc?

>> The administrative director or designee approval applies to the regularly scheduled telecommuting program as proposed in subdivision B of the proposed amended policy 8.9 where as subpart C applies to the ad hoc remote work portion. It is true that accumulated reports are made to the director relative to the frequency of which the program is used on an ad hoc basis.

>> Somebody can't every month take their ad hoc.

>> With their director's approval, they can and the director must report that to the administrative director so we can scrutinize what is going on. Quite obviously I can't approach this from the perspective of sin civil but after a year, you have a circumstance where someone is routinely taking two days off per month, that warrants a reconsideration of the ad hoc structure. The reason for two days is to afford office directors, some discretion in situational or temporary bay sees, not to tie their hands and how they best choose to manage their offices. It is my view that it won't be abused. We will have data to indicate if I'm mistaken.

>> Alexander. If someone has a regularly scheduled telecommute day and they have an emergency, why isn't it they couldn't ad hoc that day if they have work they can actually do.

>> I suppose I should answer it this way, nothing in the ad hoc or regular telecommuting policy should be understood to restrict employers in situations about which we could not possibly legislate every connoting gee from taking appropriate action. Emergency for one person might not be emergency for another. To answer your question specifically, I had a frank concern that the present policy was enabling a piggybacks process even if only in justification that was unwhole some and I wanted to be sure that that didn't get glanced over in any I proposed to you.

>> Can you give me an example.

>> Sure. Let's say you have a program in which X numbers of days are authorized and there are tight controls so X means X but you have an ad hoc program that is not terribly well defined. What if a person who is receiving the benefit, the privilege, of regularly scheduled telecommuting also is gone considerably more than what would be authorized under that and the justification that is ultimately offered is those days are ad hoc. Those are not something it seems to me to be part of the starting point.

>> Thank you.

>> I have a question. [ inaudible ] innovative, I can see that offering a telecommute policy itself can be innovative. We talk about in the report retention and recruitment issues. Do we have any sense when we have done recitements, how many -- recruitments, how many well qualified applicants are looking for the ability to telecommute? Do we have anything measureable to say whether this would broad enour qualified applicant pool?

>> We haven't done a lot of recruitment recently.

>> That's true. Point well made.

>> I don't have any hard data on that. I have the anecdotal side particularly on the tech. This policy has been in place off and on since 2000. They have kind of relied on it and as the Judge started his comments, the other thing is about what will they do? We haven't recruited to the last extent in the last six or seven years. I don't have any hard empirical data.

>> My answer is the same. Tech is an obvious area, it is part of the work culture in the tech world particularly in the Bay Area because it is tech intensive and the commuting experiences needn't be described here for anybody at this table.

>> If I might answer, I think we do need to stay flexible but everything we need to have a clear policy and ensure that that policy is being followed. I think Judge Jahr needs the flexibility to be able to recruit and retain qualified employees to do the job of the administrative office of the courts. I would give great consideration [ inaudible ] to manage this policy while allowing that flexibility.

>> Judge Jacobsen?

>> First of all, I'm not offended at all about the concept of telecommuting. I think it is business specific. It won't work very well in a trial court which is much more like a restaurant, the business comes to it. That won't work too well. In appellate practice, it is something that is more flexible. The AOC is a different animal as well. When I look at this issue, I think it is Judge Jahr's option to run his shop. If he is asking for motion 3, I will make a motion to adopt.

>> Second by Judge Baker and Judge Kaufman.

>> Thank you for the chance to comment and also for the chance to disagree with Judge Jahr's conclusion about the telecommute policy. I think it is important to remember for a moment what sort of got this issue here and that was because there was a perception of the telecommute policy being either abused or misused or liberally used. It was a headline grabber. It was not a good led arrest headline for the judicial branch. It got us here so ultimately this body can decide whether or not it is a good idea. It seems to me that the report and some of the discussion here has focused on the peculiar tees or features of the proposed policy as opposed to the underlying focus whether or not telecommuting policy advances the mission of the judicial branch and advances the mission of the AOC and to that, I haven't heard a very good justification in my view. Some of the traditional -- I'm repeating some of the comments I made on our telephone conference on this issue with E&P, some of the traditional rationals for telecommuting policies don't exist here in my opinion. For example, it has been mentioned as a justification for telecommuting if the need is tool for retention of employees. Right now in this market, I think that the retention of employees is not difficult. I'm sure there are a lot of laid off trial court employees who would love to apply for jobs here. Second, another rational is lack of office space. You have a you though employees and only room for 500. You have -- you have to make that work. We don't have that problem here. We are shedding office space. The thing that I think has been lacking is -- this is something we noted when we were looking at it in the SEC report although it was not mentioned as a recommendation anyway, but there was never an AOC wide analysis of how the telecommuting was being used. One of the major problems was the silo affect where you had different divisions and not communicating with each

other and I would want to submit to you that a way to keep that silo effect in place is to allow people to work at home instead of being in the workplace together having some collaborative synergy in their interactions. Turning to the staff -- the current status ever telecommuting, I think that the report in our agenda, under reports the extent or use of telecommuting. For example, it is reported in our agenda materials that currently -- I will pick several that SFCC has 3.76% of the AOC telecommuting population. That -- has 1.35% and the legal services office has 1.3% of the total AOC staff. That doesn't really paint the full picture of what is happening division by division. So I asked Jody Patel to give me information about what is the important number of staff in those divisions, what percent are already telecommuting. It is different when you look at it that way. Legal services to be consistent with my earlier statement. Has 15.4 employees. 11 of them are telecommuting right now. SEGER has 62 and -- that is 17% that telecommuting on some basis currently. CFCC has 68 regular employees, 27 telecommuters. That is a hair under 40% of that office that is telecommute can at the current time. Now, whether that is a good idea or not, I disagree with Judge Jahr's conclusion that the proposed policy is res strike at this. I think what is going on is actually liberal and unnecessary to advancing the mission of the AOC. And let's not push under the table one of the reasons why this discussion is important. That is the perception of the public and the trial courts of how AOC operates to allow employees to work at home one day a week or whatever it turns out to be if that policy is adopted. It begs the discussion to put in the report is that the employee of AOC view this as a take away. For example, every court here in the state has lost employees. My court has gone from 108 employees in 2009 to 97 last week. If you were to put a headline in there and have the court employees read it, AOC discusses again liberal telecommute policy, it will not go over very well and I have not seen a principal, analytical for why the AOC employees should be given a benefit essentially that does not exist for the customers as Judge Jahr put that, the AOC is serving. If I was to weigh-in with the options that have been stated in the report, there are some instances where telecommuting is appropriate in my view and one of them is obviously if you have an injured employee or someone with a medical need and you need to wean employee back to the work force, that would be appropriate. I also agree there are certain ad hoc situations, some of which were described by Judge Jahr. That would warrant an occasional ad hoc policy but to adopt a regular one day a week or so many days per month based on no particular study other than arbitrary selection on an unfocused explanation that telecommuting will help somehow the organization, I'm sorry I don't buy that. If the goal of the AOC is to advance trance pan see, the board should terminate the policy with the exception of medical leave and the occasional ad hoc situation.

>> Let me hear from Jim Fox and then Justice Hull.

>> I am not opposed to the concept of telecommuting as long as it is strictly regulated. In my reading of the proposed amendment to the policy, perhaps it is in there and I didn't see it, telecommuting should not be available to employees who are still on a probation near status because the purpose of probation is to have the ability of what their performance is. Secondly, if there are employees who are on a performance improvement plan, they should not be eligible for telecommuting.

>> Justice.

>> Thank you, Chief. My comments go to Ms. Todd's comments and Jacobsen's and this has to do with potential advantages of having a properly instituted telecommute policy. In 1998, I had the opportunity to invite chamber's attorney from a judge, justice of my court who was retire to go join me in my chambers and as he talked to me, he said that he would like to do that but we could not see himself doing that ab extent the opportunity to -- absent the opportunity to telecommute two days a week. Over the past 13 years he has been invaluable to me. On no occasion has he not kept up with his work. On no occasion have I not been able to get a hold of him either by e-mail or by phone. Not only during office hours but after office hours and frankly I don't know what I would have done without him in the intervening years. He has recently announced his retirement and in looking last fall for his replacement by far and away the best recruit that came to my chambers was a I didn't think woman with two -- young woman with two small children and she and her husband lived outside of Sacramento and she asked if she could telecommute two days a week. It was obviously very important to her and to her family that she have this opportunity. My response to her was as long as you keep up with the work, as long as you are available when I need to talk to you, I have no objection to that. I don't know enough about the AOC operation to know if there are comparable situations at the AOC. I do know in my personal experience, I would have lost exceptionally valuable employee this is all line Lee hood had I not been able -- likelihood if I were not able to offer the telecommuting. It is not a convenience to employees. It is not an invitation to abuse. It can help you to attain and retain employees who are valuable to your organization.

>> Judge Earl?

>> I think the distinction I see from Justice Hull's comments is that the report we have before us does not establish the true need nor a telecommute policy. Other than establishing that it would be a good tool for employee morale, I'm not sure we have a retention or recruitment problem within the AOC. It does not address whether or not [ inaudible ] fiscal benefit to allowing telecommuting, whether it is judge pointed out, there are some real estate costs to be saved or some other financial incentive or there is a problem with reduced absenteeism that should be correct Ed. I think the report is lacking in that type of analysis and I think the bigger issue is one of perception and if I were a voting member, I would say we shouldn't -- the AOC should not have a telecommuting policy unless it relates to the things that judge mentioned which is to deal with medical issues or those ad hoc issues that Judge Jahr spoke of.

>> Judge.

>> I'm sensitive to the fact that there is a possible perception issue here but I worry that not having a telecommute policy at all would be much more damaging than having a telecommute policy. I think this is a valuable tool in the toolbox of the Director and his staff and we pride ourselves on being one of the more progressive branches in the entire world. I think it would be negligent for us not to have a telecommute policy. This one is very detailed and 7 pages long and contains all the restriction that is go along way I think to precluding misuse of the policy and I think this is essentially a management decision and I don't think this is the right time to be throwing tools out of toolbox. I think telecommuting is a valuable asset that we can use to help reduce costs. We use it in all different sorts of forms as a council and in the future -- E&P joint meeting where we are meeting in three different regions. A meeting that would be considerably more expensive if we all

February 26, 2013

commuted to San Francisco and I see that as a form of telecommuting and I think the AOC should have the liberty of using that sort of policy whenever it can to reduce costs and promote good employee morale.

>> To respond to Mr. Fox's inquiry, on the third page near the top, the second full paragraph indicates that employees with performance attendance or other work related deficiencies would not be approved. It was the intention in creating that language to have a -- sort of a cover all for anybody who is viewed as being inefficiency circumstance. Insofar as the probation near employee is concerned, I believe that the one year eligibility break out addresses that but I defer to Kim.

>> We are at will employers so it is perpetual. Moving into one year doubles the time before the employee is eligible to participate.

>> Judge.

>> I don't want to weigh in on micro managing Judge Jahr. I think he needs the discretion to run the operation as he sees fit. I did want to bring a message back to the field. He made the comment about employee morale. I think we have to remember that the branch includes more than AOC employees and one of the things I have seen when I traveled and since June I have been to 14 different courts and at everyone of those courts, I have heard from staff, complaints of staff, they feel with the cuts and the effect on the branch that that hasn't been felt by the AOC. That is their perception. It may not be reality but certainly their perception. When you talk about employee morale, you are setting up a different policy for another part of the branch. That needs to be considered. Trial court employees don't have that option. My clerk can't telecommute despite the fact that that is very convenient for her. I throw that out as a comment from the field.

>> Judge.

>> I would be inclined to vote no. If I were to vote in a few months from now my vote might be different. Here is why. I believe at this point a moratorium on telecommuting might be the proper way to handle this. We come from a history of perceived or not abuse or misuse and the reality is there were silos of departments and in those silos reported to us as SEC records and favoritism and differences between who got and who didn't get. We had people telecommuting as far away as for earn countries. Ireless you looked at this -- I have realized you looked at this. We need to start with Al clear demarcation from the past and it may be that we start now by saying, let's stop having any telecommuting and observe where it is needed and then Judge Jahr brings that to the council who can have over site. Increment that will steps we look at instituting a possible plan that can wean us in placing all of this from a non micro managing type of situation. In such a glaring problem area, I'm a little concerned that we would even shift to this point with saying things like ad hoc, people can use it a day here or there. I understand. I think quite frankly in the long run I think telecommuting can be a great thing for the AOC and other areas. When we were able to do it in the courts, there were great things that came about. I do think that it has to be done increment that willyly and with a -- increment tally and with a lot of over site.

>> My clarification because I'm afraid I might have left you with a miss impression. My view is should the council choose to adopt a proposed amendment, I would be starting from zero. Otherwise, there is no motion in my mind of entitlement.

>> I appreciate that and maybe I can clarify. It is not just a matter of -- I appreciate that. That does help me in my understanding of where you are coming from but it also -- I believe an analysis needs to be done not just of the applicant but whether it is of use to you to institute any type of policy and to what extent. I believe at some point that the policy at least in part, I can get behind but I am not at this point.

>> Justice Miller.

>> I kind of wanted to -- when I read this, I called Judge Jahr and said okay, how is it any different other than going from two days and one day. He walked me through that. I was most concerned with that the slate was wiped clean, that we started with a whole new policy and from ground zero. Everyone will have to apply and everyone will have to justify why there is a benefit to them and their department and the AOC from them to telecommute. From the policy and my discussion with him that's what he intends to do. Do I think we need to perform an over site role? Absolutely and I think we have done that by commenting on it and amending it a little here or there to add some language. I think we are performing that over site role. On the other hand, I want to balance that with he has been hired. He is in the position. In some sense we have to allow them to manage his business and his employees and in a year from now when we do the first director's evaluation which is done here when we as a council and we as a chief do that, guess what? That will be one of the areas that we will be concerned about. If we wanted some further over site, maybe we have a report back in three months or six months. My biggest concern was they have to justify telecommuting and they have to have a legitimate reason and there is over site of it and I have to trust him and I have to trust the staff and if they don't do the job, then our over site role in that regard is pretty clear.

>> Judge Phil and Kaufman.

>> I want to make sure I understand the process. This is a complete re-set. An employee will apply to telecommute. That will work its way up the chain. It has to be approved by a supervisor and Director and ultimately it has to be approved by you. They have to make a compelling case for telecommuting, am I right so far?

>> Especially if policy indicates that the Director of the office that has the employee would be the first point of contact formally. How office Directors choose to delegate preliminary screening to managers and supervisors I frankly should believe should be in the hands of the directory. It is with that person and then it moves forward.

>> There is no right to telecommute?

>> No, it is a privilege.



>> And that is something that you are going to report -- first of all, you will report back to the council what areas people are really requesting to telecommute in, how many, what their job indicts are and what their functions are, correct?

>> Certainly the proposal in a year's time you get a comprehensive report so you see the entire picture.

>> A year is a long way away. I think a lot of us would be more comfortable with more frequent periodic --

>> I anticipated that by observing that were this policy put in place, my view I have spoken informally we need to have a reasonable period of time during which those who have organized their lives around what they have been authorized to do can change because it will mean less telecommuting for those who are telecommuting more than one day a week and to the extent they are bundling, they will have to unbundle. Once that is done while the applications are going in, we will have Angara for a initial set of staff and we will know where they are from and what frequency and disseminating that information to you at the outset would be a fairly straightforward task if you chose, we could do that.

>> We as a council are in a transition period where we are in crisis. We have no Director. We had no leadership in a sense and now we have hired one and in a time of crisis a policy making body has to step in and take care of day-to-day operations. We have hired an ADOC. He has to deliver the policy that we instruct. We are micro managing. We need to stop that. We can't get involved in the day-to-day operation of AOC. Whether there is a telecommuting policy or not, the ADOC and miss staff have to tell us what they think is appropriate for their organization to run appropriately. The next argument would be should AOC buy blue pens or black pens. It is Judge Jahr's problem. In ' period of time he will come back and tell us if it is working. If it is not working, we have options and if it is working, we move on. We can't spend time micro managing AOC. We wouldn't let use of council AOC micro manage our courts. It is a -- we have to stop somewhere.

>> I agree with judge -- if I were in Judge Jahr's position, I might not come out with this particular recommendation. I think I would be Morris strike at this. I am not in that position and I think we owe deference to the administrative director. The only concern I have -- the only concern I have as I understand the plan this really is auto plan based -- plan based, is it not? If you decided six months from now that as good as it looked on paper, it is not just working outright? You would want the authority to scrap it.

>> As it stands right now, the council has pre-empted the field -- [ inaudible ] and that I didn't remember next direction will establish the limitations on my authority in that regard -- to report to the council so the council could act if it chose too. Following today's meeting depending on the policy that is established, I will take my direction from the council. If council restricts my authority to act with respect to the policy until further reporting or the like has occurred, I will respect that obviously. If the council provided that it approves the proposal that I'm offering, the proposal and sets a date for reporting or dates for reporting and does not otherwise restrict the authority of the

administrative director in the interim. If it is in my Jim a policy that is -- opinion a policy that is running the stated objectives, I will --

>> It would be on a trial basis, then.

>> It is a trial basis with me, plainly and I know it is supposed to be with the council.

>> The one thing that concerns me, the only reservation I have about adopting a policy that when you adopt a policy, then people rely on that policy and people are hired relying on that policy, and so that the term "policy" itself, bothers me because it may turnout in a year that we unanimously agree that this just can't working. It is creating too much di essential within the branch or whatever . I much rather have the concern -- when you have a policy, it seems to me you have a vested right in that policy. You took this job versus another job because of the right to telecommuting. Then what happens when that is taken away. So as long as this is viewed as a trial effort, an experiment, subject to review at a later date, both by you and the council, then I would certainly think the deference to the administrative director is appropriate.

>> May I just add in response to the points that just -- I had a particular sensitivity about certain language in the present policy that it could be read perhaps a tortured reading as creating at least perhaps some period of time some sort of property interest or right. So the -- ads language in two or three different location that is stresses that this is a privilege alone to read or paraphrase one portion of this. Either the employee or AOC may terminate participation in the remote work program at any time for any reason, for no reason at all. I added that additional language because my memory of employment law is such that one can never be too cautious about make it go plain and clear that there is absolutely no vesting that is implied or expressed. My view is now we have a policy that does the same thing though I'm not sang win about its verb age.

>> About the perception that will trial employees have regarding certain benefits that AOC employees would have that trial employees certainly wouldn't have. I'm a little hardened in the knowledge that this is a trial or a pilot project as opposed to an iron clad policy that is going forward. I still question whether or not enough business justification for the policy as suggested or the trial policy is suggested. It is certainly better than what we had. I do have great confidence in Judge Jahr.

>> Judge?

>> Thank you, Chief.

>> I'm cringing at the suggestion that it is not our job or we should defer. We are the policy making body of the branch, period. That's part of your job. I'm not saying this to chastise anybody. This is me being plain speaking again. That is our job. This council occupied this field August 12th when they adopted the SEC regulation dealing with this very subject. Any suggestion otherwise makes me cringe. Having said that, I'm not opposed to the idea of telecommuting. In fact, I think there are advantages. I'm not sure the private sector is the equivalent match. I'm not sure using the Bay Area so heavy in tech and lends itself to telecommute is an appropriate match for the AOC and

February 26, 2013

judicial ear. I was hoping when I read this material that we would have some -- [ inaudible ] I still don't know it but I have been drinking a lot of soda today. That is just me. It strikes me as one we are not going to know until we try this. The trial aspect I'm comfortable with. I have reservations about the regular -- I tend to lead towards ad hoc and there are lots of ad hoc purposes. Again, you won't know until we do it. I'm game to go down that road and see where it leads us. Remember, what is happening in the private sector and now the public is it contracting? Is it Yahoo that is banning it because of the alleged abuses. I'm not alleging that the employees would potentially abuse this. I know they have gone through a lot and what he willed down through extreme circumstances. The folks in leadership, you have about a million and two things going on at one time. We are going from crisis to crisis and I appreciate the forms, I'm a form guy and it is making my day and I was feeling good. Wow, one form after another but in the end, the result is that you have a number of forms. You are going through this process. It is the follow-up and it takes time. It is really going to be critical that this council engages in this process when you bring it back. I'm not sure is a year is necessary to develop a reasonable period. I was hoping for six months. Beggars can't be choosers. I can live with a year if that's what it needs to be. I'm stating my reservations on the regular telecommute can help the industry. Thank you for allowing me this opportunity.

>> Judge O'Malley.

>> I also agree with the prospects of allowing employees to telecommute. I have many, many good friends in the public sector, not in the private sector, who telecommute. They are wonderful, intelligent women who are raising families and who are doing an excellent job at what they do. They are very valuable to the public works they do. It is not just private sector or Bay Area. I'm for it so long as it is properly monitored. I think Judge Jahr will do that. Here is a person who had a very negative first impression of telecommuting who has done some reading and research and talked to people who are experienced in that area who have given him another side to it. I think he is skeptically open minded. I think someone with his perspective will be looking at this as objectively as anybody -- objectively as he can and be monitoring this knowing the sensitivity and exposure that this area has brought onto the branch. I think that it would be horrible to lose such a tool until our tool kit as Judge Baker has described it. And that again with proper monitoring, it can be very effective. Whether or not we officially terminate the old program and begin a new pilot program, not to call it a policy to be adopted but a pilot program might solve our issues with this and to re-visit this program in 6 to 9, a year, whatever would be -- it is going to take some time to end the current program. Six months will be too short. Nine months to a year might be realistic. Having the wind down would be -- should they even be accepted into the new program which they may not. We are starting a new. I don't know if we need to make an amended motion to add option 4 which would be to terminate the old program and begin the pilot program under all the guys laid out in option 3.

>> Justice Miller?

>> I would like to motion it that it be a pilot program rather than a policy. That in six months, the administrative director will report to E&P and provide us with the statistics about how many people have been accepted down through your form so we have that information back to E&P and I will

February 26, 2013

provide that to the council and at 12 months that we have a full discussion at the council meeting effectiveness and convert it into a policy -- director's evaluation .

>> Judge Jackson and taken by the original movers, Judge Jacobson. All in favor, say aye?

>> Aye.

>> Any opposed? So moved.

>> Item Q, the restructuring, management of outside council. We have Jody Patel and Judge Jahr presenting.

>> I yield to the Chief of Staff.

>> Thank you, Chief, council, this report is in response to the Judicial Council restructuring directive number 122, specifically the council directed the administrative director to order an independent review of the legal services, LSOs use, selection and management of outside legal counsel to determine whether outside counsel is being utilized in a cost effective manner. The report before you today is in response to that directive and the requirement that the administrative director provide a proposal with options for conducting the review. Background, legal counsel, LSO, several different purposes. The significant use of outside legal counsel falls under the litigation management program which was designed to use outside counsel to -- court employees in government claims prelitigation and litigation matters including judicial subpoenas, disqualifications, motions and WRITS. Additionally upon the request of -- the LSO retains outside legal counsel to assist in labor arbitrations and complaint procedurings before the public employees release board. From time to time, LSO retains outside counsel for assistance in specialized areas of substantive law. In these situations LSO will use outside counsel if outside counsel do not have the expertise or outside counsel can provide needed services efficiently and effectively. There have been one time activities such as complex technology transactions and complex financing for public, private partnership transactions like the Long Beach courthouse. As indicated, outside legal expenses have ranged from a high of \$7.3 million which as you can see on the slide was in 2008 to 4.02 million in 2010. These fluctuations and expenditures can be attributed to the outside cost because of large statewide programs such as the implementation of -- [ inaudible ] initial courthouse construction projects and transfers of court facilities as well as the CCMS program. Your report includes updated expenditure information from 2007 through 2011. There are several footnotes in your report specifically footnotes, 6, 8, and 9 which provide an explanation as to why some of the information in the report before you toward is slightly different than what was presented in the SEC report and primarily those differences are due to letter Cal error as well as reporting em brances as well as expenditures and providing expenses after year end expenditures. I do want to know in the SEC's report they are pointing at the LSO's use of outside counsel in and of itself is not inappropriate. Given the millions of dollars per year spent on outside counsel the SEC report indicated that there has not been critical analysis of the cost and benefits of using outside counsel in terms of overall cost effectiveness to the judicial branch. Our report provides you three options for conducting such a review for your consideration in response to that council directive. The first option in your report builds upon the responsibilities of the Judicial Council liaisons for

each of the AOC offices. This option would ask the council to direct the current judicial liaisons Justice Miller to conduct the review with the assistance of the chair of the litigation committee which is Judge Kaufman as they deem appropriate. Industry practices for utilizing outside counsel to share with the council liaisons for their review. This option require that the council liaisons report back to you including whether the council should determine if the review should be expanded, utilizing other resources such as outside consultants or our internal audit unit here at the AOC. I will not go through all the benefits. We have identified pros and cons for each of the three options we have laid out in your report. I want to highlight a couple of the benefit for option 1. One is that the liaison review for the use of outside counsel be consistent with their liaison responsibilities which is to get to know and understand the inner workings of the office they have been assigned to. Because the lion's share with the outside legal counsel cost are for the litigation program having the involvement of the chair of the committee seemed to make sense to us some of the cons is we fully realize that our Judicial Council liaison have day jobs. It may not be as complete and thorough as if someone completely would do it. Services unit to conduct the review, using internal audits would be a use of AOC resources and it wouldn't require national funding because our audit staff is already a part of our organization. Some of the cons to that, IAS staff resources may not be sufficient because they do have other audits they are working on. My understanding also is that they may not have the expertise to do the study. The third option similar to your class and comp study you already discussed is to obtain outside consultants to do the review. The obvious benefits is you do have the objectivity, you have someone from the outside doing this and it will enable you to do a much more comprehensive review. Cons, of course, are the fact that we would have to go through an RFP and cost is a factor in this as well. Especially in light of our continuing dwindling budgets. From the three options, we are open to whatever it is you deem appropriate for moving forward on this Judicial Council directives from a staff perspective. We would recommend option one as a start can point to utilize your judicial liaison as -- I have already articulated as benefits to option 1. That concludes my report and I would be happy to take any questions.

>> Justice Hull.

>> Given the presentation by Ms. Patel, I would move at this time to adopt 1 of option Q.

>> I would second.

>> Thank you.

>> I wondered if there is a fourth option. There are a number of state agencies, sister agencies that have considerable number of legal counsel in their agency, they also hire outside counsel on occasion. I wonder if we would be in a position to ask a sister agency to do an analysis and give us input. They would certainly have the expertise. It would cost us nothing or virtually nothing. It is an option.

>> Judge O'Malley.

>> I just wanted to comment --

February 26, 2013

>> Before we --

>> Oh, yes and IRA.

>> What -- you know, this is --

>> A lot of work.

>> I wanted to ask the liaisons what they thought about this?

>> The liaisons have talked. We have some trepidation. Our thought is that option 1 doesn't bind us to actually finalize the process. If we get into looking into this and as we both may anticipate this will be the case, this is biting off more than we can swallow. We will then have the option to come back and say we do need an outside independent review of this. What we thought we may be able to accomplish in the interim is to identify what that review should be with perhaps more specificity than what we can do right now. Once we take our initial look at this, we can then say okay, we have now discovered these issues that are beyond our expertise or for which we need more data and we need input from outside sources to be able to finalize our work on that. So I think that -- I mean, I would certainly stress that by -- from my view by adopting option number 1, that includes our ability to come back to this council and say, we need help and this is specifically what we need help on.

>> Well, if they are ready to give it the good old college try, so am I.

>> Your Honor, I would say that I also checked with Justice Kaufman before I seconded the motion.

>> That is a battle field promotion?

>> Judge Herman?

>> A couple things, number one, why don't we think about a combo back of one with some backup from two. This is a hot item on the -- [ inaudible ] managing outside counsel and having been personally managed on the other end of this. There are some interesting strategies. I wonder if there is anybody else on the counsel that is from the private sector or government where they have been on the -- that might want to assist Justice Miller and Kaufman.

>> Had a coughing fit.

>> I can do it.

>> We need as many volunteers as possible.

>> I'm concerned about the fourth option. There is a privilege issue.

>> That is something we can look into.

>> Judge?

>> I don't have any strong opinions on this. I moved -- it moved to a motion before I got to say my one paragraph. When we look at this issue from the SEC perspective, this is an age-old problem, how to use outside counsel, is it being done in a cost effective way. I'm glad council is looking at it. We actually had charts on Exhibit 71 at the back of the SEC report where we detailed information given from AOC, some of which have been corrected, thank you, Jody, some of it was higher being spent on outside counsel. Understanding the AOC will have special projects and there will be need for special counsel and special circumstances, some of the things that caught our eye that generated this recommendation were \$1.2 million being spent on legal services for the Long Beach courthouse project. [inaudible] they are all monumental projects but they raise a fair question about is this being looked at from a system I can overview. Have we been doing it the right way? If you want to be heroes with help from others, so be it. I'm glad it is being looked at.

>> Thank you: in light of this motion, no further discussion, all in favor.

>> Aye.

>> Any opposed?

>> Motion carried. We conclude today's meeting unfortunately like we always do with a brief remembrance of our colleagues recently deceased. We have the **Hon. Rosabelle Tobriner (Ret.), Supreme Court of California;** Hon. Walter W. Charamza (Ret.), Superior Court of California, County of Orange; Hon. Lewis E. King (Ret.), Superior Court of California, County of Kern; Hon. Nicholas Kasimatis (Ret.), San Diego Municipal Court; Hon. William H. Phelps (Ret.), Superior Court of California, County of Shasta. All were retired from the bench and we re honor them for their service to their court and to the cause of justice. We conclude our business meeting. Thank you for your attention, your deliberateness, and your scrutiny and until our next meeting in April.

>> [ Event Concluded ]