

ITEM 18
EXECUTIVE DIRECTOR'S REPORT
Workload, Budget, 2011 Meeting Calendar, New Practices,
and Next Hearings Agendas

I. WORKLOAD

A. PENDING COMMISSION CASELOAD (Info)

Type of Action	As of May 10, 2011
Test Claims ¹ to be Heard and Determined	50
Test Claims to be Reconsidered	0
Test Claims to be Reconsidered or Reinstated Based on Court Action	0
Incorrect Reduction Claims to be Heard and Determined	163
Incorrect Reduction Claims to be Reconsidered Based on Court Action	0
Requests for Redetermination	0
Joint Reasonable Reimbursement Methodologies/Statewide Estimates of Costs	0
Proposed Parameters and Guidelines	11
Proposed Parameters and Guidelines Amendments	7
Requests to Review Claiming Instructions	1
Parameters and Guidelines to be Amended, Set Aside, or Reinstated, as Directed by the Legislature or Court Action	0
Statewide Cost Estimates to be Adopted	9
Revised Statewide Cost Estimates to be Adopted Following Amendment to Parameters and Guidelines Based on Court Action	1
New Test Claim Filings to be Reviewed	0
New Incorrect Reduction Claim Filings to be Reviewed	0
Appeals of Executive Director's Decisions	0
Regulatory Actions Pending	0

¹ This includes 28 test claims filed by school districts and 22 filed by local agencies.

B. PENDING REQUESTS TO JOINTLY DEVELOP LEGISLATIVELY DETERMINED MANDATES

Type of Action	
Notice of Intent to Pursue Legislatively Determined Mandates	0

C. APPLICATIONS FOR FINDINGS OF SIGNIFICANT FINANCIAL DISTRESS

Type of Action	
Applications for Findings of Significant Financial Distress Pending	0

II. BUDGET

There are no significant changes in the Commission on State Mandates’ proposed budget for 2011-2012 (\$1,452,000). Following is information on mandate reimbursement.

On January 10, 2011, Governor Brown introduced his 2011-2012 budget. For school districts, the budget bill proposed to defer funding on 28 K-14 education mandates; suspend 16 K-12 mandated programs; defer funding on 15 community college education mandates; and suspend 6 community college mandated programs. For local agencies, the budget bill proposed to appropriate \$51,709,000 from the General Fund for certain mandated programs and to suspend 60 others.

The Legislature proposed the following amendments to mandate reimbursement:

- School districts: \$80,355,000 to fund 28 programs and suspension of 27 programs.
- Community college districts: \$9,538,000 to fund eight programs, suspension of six programs, and deferral of seven programs.
- Local agencies: the Legislature’s proposal remains the same as the Governor’s proposal.

The Governor’s May revisions to the budget are scheduled to be released on May 16, and will be reported at the hearing.

III. 2011 MEETING CALENDAR

In 2010, the Commission adopted the meeting calendar for 2011. The calendar is as follows for the remainder of 2011:

- July 28, 2011
- September 29, 2011
- October 27, 2011
- December 1, 2011

IV. NEW PRACTICES

A. DOCUMENTS ON THE COMMISSION’S WEBSITE

E-Filing – Commission staff is pleased that the vast majority of matters are now filed using the Commission’s e-filing system. This has increased Commission staff’s workload since staff is responsible under e-filing for serving all persons on the mailing list. However, staff is taking measures to address this challenge. Staff is converting its claims management system from a

private-vendor system purchased several years ago to a simpler, custom-designed system created by staff. In addition to reducing the amount of time it takes to manage the e-filing system, this will save the Commission over \$4,000 per year in private vendor support costs.

Pending Claims – Commission staff has created a web page entitled *Pending Claims*, accessible by clicking an icon on the home page. The *Pending Claims* page contains all of the documents associated with pending test claims, incorrect reduction claims, parameters and guidelines, parameters and guidelines amendments, and statewide cost estimates. These documents include, for example, the initial test claim filing for a matter, all comments received by the Commission, all requests for extensions and the Executive Director’s response, and a continuously updated mailing list. Staff’s goal is to complete the process of loading all pending claims as follows:

- **By September 29, 2011** – All test claims, parameters and guidelines, parameters and guidelines amendments, and statewide cost estimates
- **By May 1, 2012** – All incorrect reduction claims

In addition, staff plans to expand this effort to include all *finalized* test claims, incorrect reduction claims, and other matters. When completed, the entire administrative record will be available online for every claim filed with the Commission since its inception in 1985. Staff aims to complete this effort by the **end of 2013**.

B. BACKLOG REDUCTION PLAN

In its September 15, 2010 Report to the Director of the Department of Finance, the Commission stated that it would prepare a plan to reduce and ultimately eliminate the backlog of IRCs. Because the Commission has limited staff resources, if staff shifts its efforts from test claims to IRCs, the time it will take to reduce the test claim backlog will increase, and vice versa. Accordingly, Commission staff is working on a plan that focuses on both IRCs and test claims to comprehensively address the backlog.

C. THE COSTS AND BENEFITS OF MEETING BINDERS VERSUS COMPUTERS AT COMMISSION MEETINGS

At the March 24, 2011 Commission meeting, Commission members asked staff whether the Commission could provide iPads or other electronic devices to members so that they would need no binders at Commission meetings because the entire record would be available to each Commissioner in an easily retrievable electronic format. Attached as Appendix A is a brief analysis of the costs of binders versus electronic devices.

V. TENTATIVE AGENDA ITEMS

The tentative agenda items are subject to change based on Commission staff’s actual authorized work days, workload, litigation, requests for extensions of time to file comments on draft staff analyses, hearing postponements, pre-hearing conferences, and the complexity of the statutes and executive orders that are pled.

A. TEST CLAIMS (8)

July or September Meetings

1. *Employment of College Faculty and Instructors, 02-TC-27*
Santa Monica Community College District, Claimant
2. *Community College Construction, 02-TC-47*
Santa Monica Community College District, Claimant
3. *Tuberculosis Control, 03-TC-14*
County of Santa Clara, Claimant

September or October Meetings

4. *Developer Fees*, 02-TC-42
Clovis Unified School District, Claimant
5. *Design Build Contracts*, 02-TC-45
Clovis Unified School District and Santa Monica Community College District, Claimants
6. *California English Language Development Test 2*, 03-TC-06
Castro Valley Unified School District, Claimant
7. *Reserve Peace Officer Training*, 03-TC-15
City of Kingsburg, Claimant
8. *Peace Officer Bill of Rights II*, 03-TC-18
City of Newport Beach, Claimant

B. INCORRECT REDUCTION CLAIMS (9)

July or September Meetings

1. *Emergency Procedures*, 01-4241-I-03
San Diego Unified School District, Claimant
2. Consolidated: *Health Fee Elimination*, 09-4206-I-19, 20, 23, 26, 27, 28, 30
Citrus, Cerritos, Los Rios, Redwood, Allan Hancock Joint, and Rancho Santiago Community College Districts, Claimants

September or October Meetings

3. *Handicapped and Disabled Students*, 05-4282-I-02
County of Orange, Claimant

C. PARAMETERS AND GUIDELINES (8)

July or September Meetings

1. *Modified Primary Election*, 01-TC-13
County of Orange, Claimant
2. *Domestic Violence Background Checks*, 01-TC-29
County of Alameda, Claimant
3. *Identity Theft*, 03-TC-08
City of Newport Beach, Claimant
4. *Permanent Absent Voter II*, 03-TC-11
County of Sacramento, Claimant
5. *Voter Identification Procedures*, 03-TC-23
County of San Bernardino, Claimant

September or October Meetings

6. *Behavioral Intervention Plans (BIPs)*, CSM-4464
San Diego Unified School District, Claimant
7. *Expulsions II* (96-358-03, 03A, 03B, 98-TC-22., 01-TC-18),
Pupil Suspensions II (98-TC-23) and *Educational Services Plan*
(97-TC-09), San Juan Unified School District, Claimant

8. *Interagency Child Abuse and Neglect (ICAN) Investigation Reports*
00-TC-22
County of Los Angeles, Claimant

D. REQUESTS TO AMEND PARAMETERS AND GUIDELINES (3)

July or September Meetings

1. *Habitual Truants*, 09-PGA-01, 01-PGA-06
Clovis Unified School District, Requestor

September or October Meetings

2. *Enrollment Fee Collection and Waivers*, 08-PGA-02
Los Rios, Cerritos, Citrus, El Camino, Gavilan, Kern, Long Beach, Mt. San Jacinto, Palomar, Pasadena Area, San Bernardino, Santa Monica, State Center, Sierra Joint, Victor Valley, West Kern, and Yosemite Community College Districts, Claimants
3. *Peace Officer Bill of Rights (POBOR)*, 09-PGA-05
City of Los Angeles, Requestor

E. STATEWIDE COST ESTIMATES (6)

July or September Meetings

1. *Integrated Waste Management (Post-Litigation)*, 05-PGA-16 (00-TC-07)
Santa Monica and Lake Tahoe Community College Districts, Claimants
2. *Tuition Fee Waivers*, 02-TC-21
Contra Costa Community College District, Claimant
3. *Crime Victims' Domestic Violence Incident Reports II*, 02-TC-18
County of Los Angeles, Claimant
4. *Crime Statistic Reports for Department of Justice*,
02-TC-04, 02-TC-11, 07-TC-10
City of Newport Beach and County of Sacramento, Claimants

September or October Meetings

5. *Child Abuse and Neglect Reporting*, 01-TC-21
San Bernardino Community College District, Claimant
6. *Comprehensive Schools Safety Plans II and Amendment*
02-TC-33, 07-TC-11, 98-TC-01, and 99-TC-10
San Diego Unified School District, Claimant

F. REQUEST FOR REVIEW OF CLAIMING INSTRUCTIONS (1)

September or October Meetings

1. *Request to Add Boilerplate Language*, 09-RCI-01 (05-PGA-17)
Castro Valley Unified School District, Grossmont Union High School District, San Jose Unified School District, San Diego County Office of Education, Gavilan Joint Community College District; San Mateo County Community College District, and State Center Community College District, Requestors

The Costs and Benefits of Meeting Binders Versus Computers at Meetings

May 2011

Overview

At the March 24, 2011 Commission meeting, Commission members asked staff whether the Commission could provide iPads or other electronic devices to members so that they would not need binders at Commission meetings because the entire record would be available to each Commissioner in an easily retrievable electronic format. Staff pledged to look into the cost of acquiring iPads or other electronic devices and compare that to the cost of printing, assembling, and delivering or mailing binders and flash drives to each member.

This discussion was prompted by a claimant who during his testimony referred Commissioners to a document that he had submitted with his test claim. This document was not in the binders before the Commissioners because in July 2009 Commission staff stopped sending each member hard copies of the entire record for each meeting. Instead, staff began sending a single binder with an agenda and staff recommendation for each item. All exhibits, comments, and other documents in the record were sent on a flash drive. The resulting reduction in paper consumption has been significant. For example, the entire March 24, 2011 record consisted of over 15,000 pages.

Commission staff explained at the March 24 meeting that in July 2009 staff began asking claimants and other stakeholders to bring to the hearing copies of any documents they would like the Commission to review during their testimony. Staff noted at the March 24 meeting that stakeholders will be reminded that they need to bring copies of materials they would like to present to Commissioners at meetings. The May 26 meeting agenda (and future agendas) will contain a statement in the header as follows: “If you plan to testify and would like Commission members to review any document other than those prepared by Commission staff, please bring 12 double-sided copies of the document or section of the document you would like the members to review.”

The Cost of Paper Binders versus Computers

The following is a comparison of the cost of preparing printed binders versus purchasing computers for Commission members to use at Commission meetings. Please note that all numbers are estimates, and involve assumptions that are discussed in the footnotes.

1. *Annual Cost to Print and Deliver Binders*

Paper	\$1,320 ¹
Toner	\$592 ²
Copier Maintenance	\$2,317 ³
<u>Delivery</u>	<u>\$258⁴</u>
Total	\$4,487

Note: This figure does not include depreciation, replacement costs, or staff time. The two main copiers that staff uses to print large jobs were purchased in 2000 for \$20,000 apiece. Each has made several million copies. Reducing the number of copies they need to make in the future will extend their useful lives. In addition, Commission staff members spend a total of approximately 20-25 hours preparing, printing, and distributing binders for each meeting. If we eliminate binders, that will free up staff time that can be devoted to reducing our claims backlog.

2. *Cost to Purchase Electronic Devices* – At the March 24 Commission meeting, Commission members focused on the iPad device. Staff looked at the estimated cost of the iPad as well as a number of other options that can perform a similar function.

¹ Each binder contains an average of approximately 700 sheets of paper; 700 sheets x 10 binders (7 member binders, 2 staff binders, and 1 public binder) x 6 meetings per year equals 42,000 sheets of paper per year for meeting binders. In addition, Commission staff prepares 2 sets of binders for exhibits, 1 set for the public, and 1 set for staff. The public exhibits binder could be replaced with a computer at meetings. Each exhibits binder averages 7,500 pages. If 1 is eliminated, the Commission would save 7,500 pages x 6 meetings per year, for a total of 90,000 sheets of paper. In total, the Commission could eliminate the consumption of 132,000 sheets of paper (42,000 plus 90,000) for meetings if electronic documents were substituted for printed documents. Purchased in bulk, each sheet of paper costs approximately 1 cent which, when multiplied by 132,000 sheets, equals \$1,320.

² Each toner cartridge costs \$111.68 and will print approximately 50,000 pages. Almost all of the pages in the binders are double sided so our annual number of printed pages is roughly double the number of sheets of paper we use, or 264,000 printed pages. To print this many pages takes 5.3 toner cartridges for a total of \$592 per year.

³ The Commission's maintenance service agreement costs \$5,266 per year for the Commission's two Konica 7075 copiers. This contract permits staff to make up to 600,000 copies per year. The pro-rata maintenance cost for the 264,000 copies made for the meeting binders is \$2,317.

⁴ Commission staff use the delivery service OnTrac, a state contractor, to send the hearing documents overnight to the members not located in Sacramento. Each delivery costs approximately \$6 x 3 members x 6 meetings per year, for a total of \$108. Staff delivers the hearing documents in binders to local members. Because the binders are heavy, staff deliver binders locally via taxi for approximately half of the meetings, for a total cost of approximately \$150.

- a. iPad 2 – Approximately \$500
- b. Other tablets – Approximately \$400
- c. Laptops – Approximately \$400
- d. Mini-laptops – Approximately \$200

3. *Cost Comparison* – The Commission would need to purchase a maximum of 9 devices (one for each member for a total of seven, one for the public, and one for staff). If the Commission were to choose the most expensive option, the iPad, nine devices would cost **\$4,500**. If the Commission were to purchase these nine devices for \$4,500, it would save \$4,487 per year in the hard costs associated with producing binders (as discussed above). The investment in electronic devices would pay for itself in about one year. Devices devoted to Commission meetings will last much longer than one year.

If the Commission were only to purchase only five devices (three for the members not employed by the state, one for the public, and one for staff) that would cost **\$2,500**, an amount that would be paid back in savings in less than seven months.

The current members of the Commission employed by the state have indicated that their offices can supply them with an electronic device that can be used for Commission meetings, and the current non-state members have indicated that they each have suitable devices as well. Commission staff have laptops computer that they can use at Commission meetings.

Environmental Impact

The Commissioners noted at the March 24 meeting that one of the reasons the Commission discontinued printing the entire record (with exhibits) for each member for each meeting is because of the environmental impacts of consuming all that paper. The Commission might want to also consider that while an electronic device obviates the need for paper and the environmental impacts associated with paper production, distribution, and disposal, electronic devices also have environmental impacts from those activities. While a lifecycle comparison of the impacts of paper versus computers is a complicated undertaking that goes well beyond the scope of this report, staff wishes simply to note that both paper and electronic options have environmental impacts. Environmental concerns mitigate in favor of an electronic device that serves multiple purposes because the more that it is used the more that it displaces the need for other resources.

Conclusion

It appears that a Commission transition from paper binders to computers would save money for the State of California.