



Board Governance Committee Agenda Item 8

March 20, 2018

Item Name: Proposal to Discontinue Transcription of Board and Committee Meetings

Program: Board Governance

Item Type: Action

Recommendation

Terminate the current practice of engaging a court reporter for and ordering transcriptions of all Board and committee meetings.

Executive Summary

Consistent with the Strategic Plan's objective of reducing CalPERS' operating costs, this agenda item proposes to terminate the current practice of engaging a court reporter to attend and transcribe all Board and committee meetings. Meetings would continue to be audiotaped.

Strategic Plan

This proposal advances the 2017-2022 Strategic Plan's goals of reducing costs and complexity and strengthening the long-term sustainability of the pension fund.

Background and Analysis

Historically, CalPERS Board and committee meetings have been both recorded and then transcribed as a matter of course. In that regard, the Board's "Rules and Guidelines for the Conduct of Meetings" (2007), section 250, states that "[m]eetings of CalPERS Board and its committees are generally recorded by audio equipment." It goes on to state, "[t]hese same types of meetings are also generally transcribed by a retained court reporter." The question that arises is whether in this digital age of inexpensive and increasingly sophisticated electronic recording equipment, this expense continues to be warranted.

The service of court reporting can be divided into two basic components: (1) the court reporter attends a hearing or meeting and records what is said using a stenotype machine, and (2) the court reporter then prepares a transcript of what he or she has recorded. Court reporters charge by the day for the former task and by the page for the latter. CalPERS' current court reporting service charges \$400 a day in attendance fees and \$9.00 a page for transcripts. CalPERS pays approximately \$80-85,000 per year for court reporting services, most of which is for transcripts.

CalPERS does not use the transcripts very often. Although Board and team members occasionally refer back to transcripts of prior meetings, that is fairly rare. Accordingly, terminating the practice of automatic court reporting would save CalPERS a not-insignificant amount of money with minimal impact on its operations. Of course, ending the automatic transcription of meetings would not mean that CalPERS could never obtain written transcripts. Prospectively, CalPERS could always retain a court reporter for certain upcoming meetings or

agenda items if the circumstances require it, such as for a public hearing on a proposed regulation or for a full Board hearing on an OAH matter. And since all meetings will continue to be audiotaped, CalPERS can also retain a court reporter to transcribe the audio recording of previous meetings. In addition, since March 2012, most open session Board and committee meetings have also been videotaped, and those tapes are retained indefinitely.

Budget and Fiscal Impacts

Eliminating the practice of utilizing a court reporter would save CalPERS approximately \$80-\$85,000 per year, less the cost for reporting services for those occasions when CalPERS does order transcripts.

Benefits and Risks

Except in certain circumstances, such as a public hearing on a proposed regulation or a full Board hearing on an OAH matter, CalPERS is not required to engage a court reporter or transcribe its meetings. (CalSTRS does not do so for its meetings.) And dispensing with the practice will not cause CalPERS to lose a record of the proceedings, since we will continue to retain audio and videotapes.

While the internet is awash in opinions pro and con on the continuing need for court reporting services, most of those pertain to whether court reporters continue to be necessary for court trials and hearings, where the ability to obtain an instantaneous transcript can be important, either to clarify what a witness has just said or to read back testimony to a jury. These arguments hold less sway when applied to CalPERS meetings.

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