

# ECONOMY AND EFFICIENCY COMMISSION

Gunther W. Buerk, *Chairperson*  
Betty Trotter, *Vice Chairperson*

Alfred P. Balderrama  
George E. Bodle  
Ann King Cooper  
Joe Crail  
Jack Drown  
Emma E. Fischbeck  
Louise Frankel  
Dr. Alfred J. Freitag  
Chun Y. Lee  
Robert J. Lowe  
Abraham M. Lurie  
Lauro J. Neri  
Arthur J. Peever  
Robert H. Philibosian  
Daniel M. Shapiro  
Randolph B. Stockwell  
Wally Thor  
Robert L. Williams  
Eftrem Zimbalist, III

## MINUTES

### FULL COMMISSION MEETING

NOVEMBER 13, 1991

HALL OF ADMINISTRATION, 830-A

#### I. CALL TO ORDER

*Chairperson Gunther W. Buerk* opened the meeting at 9:30 a.m.. Visitors were welcomed to the meeting.

#### II. INTRODUCTIONS & ANNOUNCEMENTS

*Chairperson Buerk* welcomed the new Commissioners *Marvin Hoffenberg*, Former Foreman of the Grand Jury, and *Jonathan Fuhrman*, a recent Supervisor Molina appointee.

To date there has been six re-appointments, and one new appointment. *Supervisor Hahn* has re-appointed three of his four appointees; *Supervisor Molina* has made one appointment, and has two appointments remaining, (*Commissioner Thor*, who was a Scharbaum appointee is still active under *Molina's* district); *Supervisor Dana* has re-appointed two of his four appointments; and *Supervisors Edelman* and *Antonovich* have yet to make any re-appointments. With the resignations of *Commissioners Peever*, and *Lowe*, the number of Commissioners now stand at 17.

The purpose of this meeting was to discuss Commission business and to update the full Commission on developments. There was no guest speaker invited to this meeting.

Visitors in attendance were *Mr. Charles W. Kaufmann*, Former E & E Commission Staff *Ms. Stacey Wong*, Former E & E Commission Student Assistant, and *Mr. Sander Dewildt*, an Exchange Student from Holland.

### III. ATTENDANCE

The attendance list is on the last page. The absences of Commissioners *Bodle, Crail, Lee, Lurie,* and *Philibosian* were excused by vote of the Commissioners present. Commissioners *Shapiro* and *Thor* were unexcused.

*Dr. William C. Waddell*, representing the Productivity Commission was also in attendance.

Minutes of the September 11, 1991 full Commission meeting were approved.

### IV. NEW BUSINESS

#### STAFFING:

*Chairperson Buerk* gave a brief overview of the developments since the last Commission meeting. The Report of the Task Force on Sunset Alternatives, that was prepared in June, 1991 was placed on the Board's agenda starting September 17th, and each Tuesday thereafter, until October 15th when the Board finally approved the Commission's recommendations contained in the report. In addition, the Board authorized the selection of a temporary staff administrator to organize the search for a permanent administrator. The Commission's next sunset review will be October 15, 1994.

The delay centered on *Supervisor Edelman's* concern regarding staffing. *Mr. John Campbell* and *Charley Kaufmann*, who were staff, received notices prior to September 30th notifying them of non-renewal of their contracts. Once this issue was resolved, the Board proceeded to approved the recommendations.

*Cathy Carr*, who was chosen as the temporary administrator, will assist the Commission in pursuing a permanent Executive Director\Administrator. Once a permanent administrator is hired, the Commission will contract with outside firms to conduct research and the formulate studies\reports.

The full Commission discussed how to proceed with the search, and the pros and cons of using an Executive Search firm, versus conducting the search on its own. *Ms. Carr* handed out a summary report (executive search options) for discussion.

**STAFFING:** (Cont'd)

*Commissioner Hoffenberg* was asked to give an overview of the Grand Jury's procedures regarding staffing. *Commissioner Hoffenberg* noted that the Grand Jury does not use an Executive Search firm, and does not have a permanent staff. The Grand Jury is a branch of the Superior Court, who provides the Grand Jury with an office manager. A Deputy District Attorney, who serves as the legal advisor, is appointed by the District Attorney's Office.

The 1990-91 Grand Jury's budget is approximately \$660,000 a year with \$361,000 allotted for contractors\auditors to conduct their studies. The auditors act as consultants in civil matters. The Jurors are organized into subject matter committees. One of the committees, the audit committee, is responsible for recommending selection of the outside contractor.

Contracting rates vary depending on the firm and sometimes on who in the firm does the work (senior staff vs. junior staff). Committees recommend study projects, which are then approved by the Grand Jury as a whole. *Commissioner Hoffenberg* pointed out that active, on-going participation is very important to the outcome of the studies. He suggests that regardless of the contractor chosen, the Commission should be actively involved.

*Commissioner Fuhrman* noted that because of the employment reduction in the aerospace and finance industries, there are people in the Los Angeles area who are eagerly looking for employment alternatives. He believes that by advertising in the Wall Street Journal, and the Los Angeles Times, qualified people will respond. *Commissioner Fuhrman* also noted that since this Commission is geared toward economy & efficiency, it doesn't seem justifiable to spend money on hiring an executive search firm.

*Commissioner Zimbalist* believes that the Commission should conduct the search itself. He believes that an executive search firm might not serve the Commission to its best advantage because the Commission will not be an ongoing client. *Commissioner Zimbalist* also believes that once the selected candidates has been narrowed down, the Commission should seek knowledgeable opinions, but should always maintain control during the entire process.

**STAFFING:** (Cont'd)

*Commissioner Frankel* believes the Commission should conduct the search, and believes that the Commissioners can select and screen candidates appropriately.

*Commissioner Trotter* pointed out that some executive search firms used in the past haven't been very successful. She noted that candidates who were chosen either turned down the position or couldn't pass the required test.

*Commissioner Hoffenberg* noted that the primary differences between the search firm and the Commission lies in the pre-screening method and the fact that the search firm has a larger networking list.

*Chairperson Buerk* believes that the Commission can handle the search, and if the task becomes cumbersome, the search firm can then be considered as an alternative.

*Commissioner Balderrama* noted that responses for the position could be vast, and inquired as to who would conduct the pre-screening phase of possibility hundreds of resumes.

*Chairperson Buerk* stated that the base work would be done by *Ms. Carr*, that a task force could be appointed to give her guidance and to conduct interviews. *Chairperson Buerk* entered the motion to conduct the search in-house. *Commissioner Freitag* moved the motion, which was seconded by *Commissioner Trotter*.

*Commissioner Zimbalist* inquired as to the job description. He asked for clarification on whether the position will be administrative, consulting, or both. He believes that if the position falls under both descriptions, the type of applicants will vary.

*Chairperson Buerk* explained that in essence, the position would be administrative. The Director would supervise the performance of the consulting firm, in conjunction with the task force assigned to that particular study; do all administrative work relating to meetings, agendas, minutes, communicating with the Supervisors' Offices, and various organizations; represent the Commission in public; prepare news releases; and give presentations to civic groups. *John Campbell* already prepared a job description which was included in the sunset alternatives report.

**STAFFING:** (Cont'd)

Ideally the candidate would have good administrative abilities (80%) and possibly some analytical abilities (20%).

*Commissioner Zimbalist* noted that task forces should be more hands-on than they have been in the past. The Chairperson of each task force should play a more critical role in the process of their project and oversee the quality control aspect of the consultants' work.

*Chairperson Buerk* believes that minor projects (e.g., following up on past report recommendations) should be handled by the Commission and the Director, instead of using an outside firm.

*Chairperson Buerk* noted that the salary level does not include benefits. In the past the salary rate was hourly. He believes that the type of candidate that will be attracted to the position depends on what the Commission can offer. The County's benefit allowance (which is added into the salary figure) is approximately 28-33%. Ultimately, the CAO's Office will determine the salary range the Commission can offer.

*Commissioner Zimbalist* believes the salary range should be excluded from the advertisement. Applicants should be requested to submit their salary requirements.

*Commissioner Frankel* suggested advertisements be placed in the local papers to avoid the relocation issues, etc., and believes that local applicants may be more aware of what is going on in the County.

*Commissioner Fuhrman* inquired as to public sector experience vs. private sector experience.

*Chairperson Buerk* noted that it would be helpful if the applicant has public experience. But a person with experience in the private sector should also be considered. The interview process should be able to determine the significance of an applicant's experience.

**STAFFING:** (Cont'd)

*Commissioner Frankel* stated that if the Commission is successful in conducting its own search in house by advertising locally; negotiating contacts, and saving money, the Commission's procedure should be pointed out to the Board so that other departments can benefit.

*Commissioner Balderrama* inquired as to the hours of the position, noting the need for a full-time person.

*Chairperson Buerk* believes that the position would require a full-time staff person.

*Commissioner Drown* believes that some of the descriptions, and other related paper work, should be reviewed carefully, and re-drafted if warranted.

*Chairperson Buerk* stated that the appointed search task force should have the flexibility to make changes to existing paperwork. He suggested a five member task force (one person from each Supervisorial District) serve on the task force. *Chairperson Buerk* entered the motion to establish a task force to work on the procedures with staff. *Commissioner Balderrama* moved the motion, which was seconded by *Commissioner Frankel*.

The Executive Director Search Task Force will consist of *Commissioners Buerk, Frankel, Freitag, Fuhrman, and Zimbalist*. *Commissioner Hoffenberg* also offered to serve on the task force. It was noted that any other Commissioner who wished to attend any task force meeting would be welcomed.

**CONSULTING FIRM CONTRACT:**

*Chairperson Buerk* stated that the full Commission should begin to think about the hiring of a consulting firm, so that some procedures will be in place when permanent executive is hired.

*Commissioner Hoffenberg* noted that the 1990-91 Grand Jury used a formal contract for the consulting firm that was drawn up the County Counsel office. He suggest the Commission obtain a copy of the previous contract from the County Counsel's Office.

*Chairperson Buerk* suggested that since the 1990-91 Grand Jury's contract will serve as a model for the Commission, *Commissioner Hoffenberg* could assist *Ms. Carr* in formulating a contract for the permanent Executive Director. *Commissioner Hoffenberg* agreed to assist *Ms. Carr*.

*Commissioner Drown* inquired as to a breakdown on what the Commission cost over the last several years.

*Ms. Carr* noted that in the sunset report, \$500,000 was mentioned as the total estimated cost, \$209,000 was allotted for direct staff salaries.

There is no specific budget limit for the Commission since the Commission is placed under the Executive Office Fund. Together with the Supervisors' Office Fund, which totals approximately \$65 million dollars annually. The Commission is just a small part of the budget and is not looked at seriously.

*Chairperson Buerk* suggested that staff try to get more accurate figures on the Commission's cost over the last several years.

*Commissioner Hoffenberg* noted that the 1990-91 Grand Jury spent approximately \$40,000 on the low end and \$90,000 on the high end for each study. The average ranges between \$45-\$50 thousand dollars per study.

V. **REVIEW & STATUS OF COMPLETED PROJECTS**

**REAL PROPERTY:**

The Real Property Management & Development In Los Angeles County report has been placed as a set-time item on the Board's agenda for Tuesday, December 3rd at 10:30 a.m. in the Board Hearing Room on the 3rd floor. *Commissioner Stockwell* will deliver a presentation to the Board at that time.

**INTERNAL SERVICES DEPARTMENT:**

The task force report on funding for ISD has been placed on the Board's agenda for Tuesday, November 26th. Since this is not a set item, it is believed that the item may be held over until the 3rd of December.

**CONTRACTING\DRUG ABUSE:**

*Commissioner Drown* noted that he has spoken to *John Campbell* regarding his loose ends memo of October 4, 1991. *Mr. Campbell's* recommendations are listed under CONTRACTING ATTACHMENT FOUR (page 7), and DRUG ABUSE ATTACHMENT FIVE (page 11). It was suggested that the full Commission re-read the before-mentioned attachments and that these items be placed on the December 4th Commission meeting agenda for further discussion as closure is still needed.

*Chairperson Buerk* noted that *Bill Moore's* report on contracting and other materials were mailed to him. They will be forward to the Commission Office for review. *Chairperson Buerk* also requested that summaries, containing approximately three or four pages, be constructed by the staff on both the contracting and drug abuse issues, for the next meeting.



**SECURITY TASK FORCE:**

*Commissioner Frankel* gave a brief status report on the Security Task Force. She noted that the task force has met many times with Lt. Patrick Soll, Manager of Security. The task force has been pleased with the job he is doing. The task force has been successful in getting some of its recommendations enforced. Lt. Soll has been successful in setting up a reporting program (e.g., incident reports are completed by each department for any incident that occurs on County property or to a County employee). He has had good response relevant to the report.

Training programs, such as rape & assault, anti-terrorist, self defense, and safety awareness were instituted. These programs have generated good response from the employees and the attendance level has been high.

Lt. Soll's department has been working on all the task force's recommendations. However, the task force's recommendation on forming a Security Council, has not been instituted, nor is there interest shown in doing so. Overall, the task force's recommendations have been well received and are being enforced.

*Commissioner Frankel* suggested that the Commission send letters to the Board periodically informing them of the task force's affairs.

*Chairperson Buerk* asked *Commissioner Frankel* if she would prepare a letter for the next Commission's meeting that the full Commission could approve it for presentation to the Board.

**VI. NEW PROJECTS, TASK FORCES, & REPRESENTATION**

**NEW PROJECTS:**

*Chairperson Buerk* suggested that the full Commission express their ideals for new projects the Commission could work on in the future.

*Commissioner Fuhrman* suggested that since the Grand Jury is limited by its term of one year, the Commission could look at unfinished Grand Jury studies dealing with management problems, potential for savings, or improvement in the County.

**NEW PROJECTS:** (Cont'd)

*Commissioner Hoffenberg* noted that there is the matter of the \$2.26 billion bond issue that is going on the ballot to replace USC County General. If the bond issue fails, the Supervisors will issue certificates of participation which will carry a slightly higher interest rate, but will not require two-thirds of the vote. The Grand Jury looked into the plans behind the issue and what the fall-back position is between the time the current hospital would be abandoned, and the time the new hospital will be utilized. The Grand Jury agreed that it would be cheaper to build a new hospital than to try and bring the current hospital up to date.

*Commissioner Hoffenberg* also noted that management in the justice system seems to be another major problem. Since the courts are not within their jurisdiction the Grand Jury was not able to study this issue in depth, which would have probably run into some opposition from the courts. However, *Commissioner Hoffenberg* believes that the issue could be reviewed, with some discretion. The Grand Jury recommended a second public defenders office. He also believes that the management of Penal Code Section 1000, et. seq. drug diversion program and privatization be reviewed.

*Commissioner Fuhrman* suggested inviting the current Grand Jury Foreman to speak at a Commission meeting, since he will be on the Commission next year. The Foreman could advise the Commission on what the Grand Jury is doing, and possibly coordinate some studies with the Commission.

*Chairperson Buerk* suggested that once the Commission's program for this year has been completed, the Commission could asked the current Grand Jury Foreman to one of the meetings. He asked *Commissioner Hoffenberg* if he could offer a time when the invitation to the current Foreman would be appropriate.

*Commissioner Hoffenberg* stated that since Proposition 115 the Grand Jury was overloaded with criminal matters. 1990-91 Grand Jury spent approximately 35% of its time on criminal procedures. It is estimated that this years' Grand Jury will spend 75% of its time on these issues. He is not sure if the current Grand Jury has put together its civil program yet. Since the Grand Jury's dealings are secret, isn't clear what information the Foreman would be able to discuss with the Commission. The Foreman could possibly discuss the studies that are being contracted.

**NEW PROJECTS:** (Cont'd)

*Commissioner Hoffenberg* does believe that extending an invitation to the current foreman would be appropriate. It might be better to have him meet with the Executive Committee first, in order to determine if the Foreman would have enough information to share at a full Commission meeting.

It was noted that the Grand Jury performs four basis functions, criminal procedures; civic oversight; penal codes, which requires the Grand Jury to visit every jail and lock-up in the County (of which there are 162); and hears citizens' complaints.

*Commissioner Fuhrman* expressed interest in looking at the goal setting procedures, and the performance appraisal, and the compensation for executives in the County, and perhaps adopting that for a task force.

*Commissioner Zimbalist* is interested in looking at ways to increase County revenues. He also noted the re-districting issue (to increase the number of County Supervisors), will possibly be on the ballot for next year, might be an issue for the Commission to discuss.

*Commissioner Trotter* believes the Commission, as a whole, should be more aware of what is going on in the County. The Registrar\Recorder is in the process of buying a building in Downey, which will relocate some departments and employees from the downtown area. She believes that at every meeting, the staff should give the Commission an update.

*Chairperson Buerk* suggest to *Ms. Carr* that relevant information should be mailed or made available to the full Commission.

*Commissioner Trotter* also commented on the privatization issue. She feels that the Commission is in a good position to be a neutral voice, and bring together what the Grand Jury, Union, and Bill Moore's report has done in the past. The Commission could conduct additional research as necessary to provide an open and fair minded analysis of the situation. *Commissioner Trotter* believes the information is going to be needed and sought, and the Commission should be ready and able to deal with it.

**NEW PROJECTS:** (Cont'd)

It was also suggested, since the Commission has some problems in deciphering the Board's decision regarding the Commission's sunset, that Board be advised of ways to make their meetings more "public friendly". Perhaps having some type of score-board to clarify the votes and decisions of the Board is needed.

*Chairperson Buerk* also noted that the Commission has learned a lot about the sunset process, which the Commission may want to share with the Board and other Commissions.

*Commissioner Freitag* believes the Commission should look into general restitution for victims of crimes. He believes a task force should be formed on public responsibility. Restitution could also provide a source of revenue.

*Commissioner Drown* noted that one of the largest expenditures for the County is hospitalization. He believes that the Commission could look into the County's health care system, and determine ways to save the County money, or increase revenue.

*Commissioner Hoffenberg* stated the justice system is another big expenditure of the County which could be reviewed. Alternatives to prison is another issue. The 1990-91 Grand Jury looked into this issue and made some recommendations. He noted that by law the Grand Jury's recommendations have to be responded to within 90 days. The governmental unit to which the recommendations pertained, and the CAO issue their reports, which should be coming out in a few months. He suggest the Commission review the Grand Jury's recommendations on the justice system to determine what has been accepted and what hasn't.

**FAMILY SUPPORT ADVISORY BOARD:**

The FSAB was created by Board order in May, 1989, with the purpose of assisting the District Attorney's Office and the County in meeting the established time-frame for upgrading family support services, and to provide input to help improve client service in the area of communications. There are twelve members appointed by the Board, one of which is the Commission's Chairperson or a designee.

*Dr. Waddell* stated that he is a member of the Family Support Advisory Board, and noted that the role of the FSAB is to make the bureau of family support more user friendly, by updating the data processing systems so that they will tie in with other departments systems, e.g., the Department of Public Social Services. *John Campbell* represented the Commission on the FSAB and played a very influential role in that board.

*Chairperson Buerk* asked for a volunteer to replace *Mr. Campbell*. *Commissioner Freitag* volunteered to represent the Commission on the FSAB. *Chairperson Buerk* asked *Commissioner Freitag* to provide regular updates at the full Commission meetings when warranted.

**LIABILITY:**

At the Board's October 22nd meeting, Supervisor Molina entered a motion to have the E & E Commission conduct a study of the increased liability costs and risk management measures that may be instituted to reduce escalating costs to the County. The report was due in 180 days.

*Chairperson Buerk* requested that the Commission's response to the liability issue be delayed until the permanent Executive Director is hired. He request that the staff write a letter to the Supervisors regarding their position. The full Commission agreed that the liability project should be held until permanent staff is hired.

**LIABILITY:** (Cont'd)

*Chairperson Buerk* also requested that the minutes of today's meeting reflect the thoughts and suggestions of the Commissioners present, and that they are formulated into subject matters in order to give the full Commission options for new projects.

**MISCELLANEOUS:**

Congratulations were extended to *Commissioner Balderrama* for his upcoming nuptials this coming Saturday.

*Chairperson Buerk* noted that there has been some problems in obtaining a contract for *Ms. Carr*. It has taken more than six weeks for a contract to be completed. *Ms. Carr* noted that the final contract should be completed in the next few days.

The next meeting of the full Commission will be held on December 4th. It was also noted that for the 4th meeting a guest speaker should also be invited.

*Commissioner Zimbalist* suggested that the speaker give a presentation on the County's revenue, with a brief overview of the County's budget system.

**VII. COMMENTS AND SUGGESTIONS FROM VISITORS:**

*Mr. Kaufmann* commented that the Commission had in the past looked into the revenue production, such as cost recovery for the bureau of weights and measures. A lot more could be done in that area.

He also suggested that the Commission may want to look into specific programs in the County such as, health services or family services, where the focus seems to be on production and process, instead of the end results.

**VIII. ADJOURNMENT:**

The meeting was adjourned by vote of the Commissioners present.

ATTENDANCE

November 13, 1991

COMMISSIONERS PRESENT

*Alfred Balderrama*

*Gunther W. Buerk*

*Jack Drown*

*Louise Frankel*

*Dr. Alfred Freitag*

*Jonathan Fuhrman*

*Marvin Hoffenberg*

*Randolph Stockwell*

*Betty Trotter*

*Efrem Zimbalist III*

COMMISSIONERS EXCUSED

*George Bodle*

*Joe Crail*

*Chun Y. Lee*

*Abraham M. Lurie*

*Robert H. Philibosian*

COMMISSIONERS UNEXCUSED

*Daniel M. Shapiro*

*Wally Thor*

GUEST

*None*

VISITORS

*Mr. Charles W. Kaufmann, Former E & E Commission Staff*

*Ms. Stacey Wong, Former E & E Commission Student Assistant*

*Mr. Sander Dewildt, Exchange Student from Holland*