

ATTACHMENT D

SEPTEMBER 2-3, 2021 ADMINISTRATIVE HEARING TRANSCRIPT

BEFORE THE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATE OF CALIFORNIA
ROBERT WALKER, ADMINISTRATIVE LAW JUDGE

In the Matter of the Appeal of)
the Full Time Payrate Reporting)
of:)
TUSTIN UNIFIED SCHOOL DISTRICT,) Case No. 2020-0436
Respondent.) OAH No. 2020090431
_____) VOLUME I
)

CERTIFIED COPY

TRANSCRIPT OF PROCEEDINGS
Via Microsoft Teams
Thursday, September 2, 2021

Reported by:

Tracy A. Terkeurst,
CSR No. 8180, RPR

Job No. :
33091 OSD

1 BEFORE THE
2 CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
3 STATE OF CALIFORNIA
4 ROBERT WALKER, ADMINISTRATIVE LAW JUDGE
5
6

7 In the Matter of the Appeal of)
8 the Full Time Payrate Reporting))
9 of:)
) Case No. 2020-0436
10 TUSTIN UNIFIED SCHOOL DISTRICT,) OAH No. 2020090431
)
) Respondent.)
) VOLUME I
11 _____)

12
13
14
15
16 TRANSCRIPT OF PROCEEDINGS, taken
17 remotely via Teams, commencing at 9:12 a.m.
18 and concluding at 4:50 p.m. on Thursday,
19 September 2, 2021, heard before ROBERT WALKER,
20 Administrative Law Judge, reported by
21 Tracy A. Terkeurst, CSR No. 8180, RPR,
22 a Certified Shorthand Reporter in and for
23 the State of California.
24
25

1 APPEARANCES:

2 For CalPERS: CALPERS
3 BY: CHARLES GLAUBERMAN
4 Attorney at Law
5 400 Q Street
6 P.O. BOX 942707
7 Sacramento, California
8 94229
9 CHARLES.GLAUBERMAN@CALPERS.CA.GOV

7 For the
8 RESPONDENT: ATKINSON, ANDELSON, LOYA,
9 RUUD & ROMO
10 BY: JOSHUA E. MORRISON
11 Attorney at Law
12 -and-
13 JACQUELYN TAKEDA MORENZ
14 Attorney at Law
15 12800 Center Court Drive
16 Suite 300
17 Cerritos, California
18 90703
19 JMORRISON@AALRR.COM
20
21
22
23
24
25

I N D E X

CLAIMANT'S Witnesses:	Direct	Cross	Redirect	Recross
ANTHONY SUINE	55	101		
SAMUEL CAMACHO	135	188		
KEVIN LAU	197			

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

E X H I B I T S

CLAIMANT'S

Exh No.	Description	Marked	Rec'd
1	Statement of Issues dated 8-28-20	212	
3	Draft Audit Report with Attachments dated July 18, 2018	138	147
4	Tustin's Response to Draft Audit Report dated August 6, 2018	153	157
5	CalPERS Compliance and Review Notifications dated December 18, 2018	158	159
6	E-mail correspondence from December 2018 and April 2019	159	162
7	CalPERS' Determination Letter to Tustin dated December 18, 2019	162	164
8	Tustin Appeal Letter with Exhibits dated February 19, 2020	164	166
9	CalPERS' Confirmation of Appeal dated February 21, 2020	167	168
10	Complete Audit Report dated December 6, 2018	168	
11	2012-2013 Classified Pay Schedules	182	182
12	2013-2014 Pay Schedules	183	183
13	2014-2015 Classified Pay Schedules	183	183

E X H I B I T S (Continued)

CLAIMANT'S

Exh No.	Description	Marked	Rec'd
14	Pay Sample from CalPERS' Audit	184	184
15	March 22 2005 Circular Letter	89	91
16	January 8, 2020 Circular Letter	93	94
17	January 8, 2020, Circular Letter	95	97
18	Selections from CalPERS' June 2021 Public Agency and Schools Reference Guide	185	185
19	Training Exhibit	81	98
20	Demonstrative document	185	187

RESPONDENT'S

1	CalPERS Payrate Increases Review	103	172
7	2012-13 SY - 2018-2019 SY classified salary schedules	18	
15	CA Government Code Section (current)	106	
18	California Code of Regulations, Title 2, Sections (current)	123	
25	Annual Calendars	121	

1 California, Thursday, September 2, 2021

2 9:12 a.m.

3
4
5 ADMINISTRATIVE LAW JUDGE: Good morning. My name
6 is Robert Walker. I'm an Administrative Law Judge for
7 the State of California with the Office of
8 Administrative Hearings. This matter is before the
9 California Public Employees' Retirement System.

10 I now call the matter of the appeal regarding
11 Full-Time Payrate Reporting of Tustin Unified School
12 District. This is case No. 2020-0436. It is Office of
13 Administrative Hearings No 2020090431. It is
14 September 2, 2021, just after 9:00 a.m. in the morning.
15 And this matter is -- this proceeding is being conducted
16 by videoconference.

17 Mr. Glauberman, state your appearance, please.

18 MR. GLAUBERMAN: Yes, Your Honor. Good morning.
19 Charles Glauberman, G-L-A-U-B-E-R-M-A-N, on behalf of
20 CalPERS.

21 ADMINISTRATIVE LAW JUDGE: And, Ms. Morenz, your
22 appearance, please.

23 MS. MORENZ: Good morning, Your Honor. Jacquelyn
24 Morenz, J-A-C-Q-U-E-L-Y-N, last name M-O-R-E-N-Z, on
25 behalf of Tustin Unified School District.

1 ADMINISTRATIVE LAW JUDGE: Good morning.

2 And, Mr. Morrison, your appearance, sir.

3 You're muted.

4 MR. MORRISON: Sorry, Your Honor. Good morning.
5 Joshua Morrison appearing on behalf of Tustin Unified
6 School District.

7 ADMINISTRATIVE LAW JUDGE: Good morning.

8 All right. Are we going to have opening
9 statements?

10 MR. MORRISON: The district does have an opening
11 statement, yes.

12 ADMINISTRATIVE LAW JUDGE: Very well. This is an
13 appeal by the district. Who's going to go first with
14 the opening statement?

15 MR. GLAUBERMAN: The district can go first, Your
16 Honor.

17 ADMINISTRATIVE LAW JUDGE: All right. May we have
18 the district's opening statement, please.

19 MR. MORRISON: Sure, Your Honor.

20 Before we do that, are we going to address
21 order of presentation, witnesses' sequestration, and
22 like issues?

23 ADMINISTRATIVE LAW JUDGE: We can. What -- what
24 needs to be addressed?

25 MR. MORRISON: I believe we had -- we are in

1 agreement that CalPERS will go first in terms of witness
2 order, and they have witnesses who are supposed to be
3 testifying this morning. I would ask for sequestration.
4 I believe Nam Nguyen is going to be staying with us for
5 the course of the hearing. But I would ask that all
6 other witnesses aside from a representative for CalPERS
7 be sequestered.

8 ADMINISTRATIVE LAW JUDGE: All right. Is --
9 Mr. Glauberman, is Mr. Lau a representative of CalPERS
10 or just a witness?

11 MR. GLAUBERMAN: Mr. Lau is an agency
12 representative of CalPERS. There may be another agency
13 rep who is also on the audit, and I think -- I don't
14 think there is an issue with them staying.

15 Mr. Suine, CalPERS's other witness, is not
16 here currently, and he is basically on standby waiting
17 for the heads-up, and I don't think he's going to be
18 staying for the hearing, so it's not an issue for him I
19 do not believe.

20 ADMINISTRATIVE LAW JUDGE: All right. So is -- who
21 represents -- who is the representative for the school
22 district?

23 MR. MORRISON: Ms. Nguyen.

24 ADMINISTRATIVE LAW JUDGE: So am I supposed to ask
25 Mr. Soria to leave?

1 MR. MORRISON: Yes.

2 Tony, we'll have you back.

3 I would anticipate that Tony Soria will be
4 testifying later this afternoon, but, yeah, we'll ask
5 him to step off for right now, and we'll let him know as
6 soon as there is a time to bring him back.

7 MR. SORIA: Sorry, Joshua. I just wanted to
8 mention -- I know I mentioned before I do have another
9 commitment, I think, between 2:00 and 3:00 I mentioned
10 to Jacqueline, but other than that, I think I'm good for
11 the whole day. So I can leave, and then you'll text me,
12 Joshua, I guess?

13 MR. MORRISON: Yes.

14 MR. SORIA: Okay. Sounds good. Thank you.

15 ADMINISTRATIVE LAW JUDGE: All right. Any other
16 preliminary matters, Mr. Morrison?

17 MR. MORRISON: So I understand that Mr. Lau will be
18 testifying, but none of the other CalPERS's witnesses
19 are still on the call or still on the meeting?

20 MR. GLAUBERMAN: The only other one I just pulled
21 because he's going to be going first to join is
22 Mr. Suine who is going to be joining momentarily, but
23 none of the others are here right now. But there is
24 going to be another agency rep joining shortly who had
25 an appointment this morning, Sam Camacho.

1 MR. MORRISON: And is he going to be testifying?

2 MR. GLAUBERMAN: Yes. He may. I'm actually
3 undecided on that at this point.

4 MR. MORRISON: Okay. I would request that he be
5 sequestered.

6 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman?

7 MR. GLAUBERMAN: One, he is an agency rep who, you
8 know, handled the audit response for CalPERS's team. I
9 don't think there is any preclusion against an agency
10 having two reps present at the hearing. That's
11 CalPERS's position on it.

12 ADMINISTRATIVE LAW JUDGE: No. I think you're
13 entitled to one agency representative. Which one would
14 you like?

15 MR. GLAUBERMAN: Mr. Lau.

16 ADMINISTRATIVE LAW JUDGE: Okay. Fair enough.

17 So did we just lose Ms. Morenz?

18 MR. MORRISON: Yes. She's trying to get back on,
19 Your Honor.

20 ADMINISTRATIVE LAW JUDGE: Who's going to be making
21 the opening statement for the district, Mr. Morrison?

22 MR. MORRISON: I will be, Your Honor.

23 Are we just getting lucky today, or has this
24 been a common occurrence with your hearings on Microsoft
25 Teams?

1 ADMINISTRATIVE LAW JUDGE: Well, it's not uncommon.
2 Sometimes they go swimmingly, and other times they
3 don't. This is the first time I've had a problem with
4 CaseLines, however.

5 MS. MORENZ: Sorry about that.

6 ADMINISTRATIVE LAW JUDGE: Welcome back,
7 Ms. Morenz.

8 All right. Mr. Morrison.

9 MR. MORRISON: Thank you, Your Honor.

10 In 2018, the district, along with a large
11 number of other public entities, was audited by CalPERS.
12 The audit is very large. There is a large number of
13 findings.

14 The only finding that we are dealing with
15 today is finding No. 4, and the essence of finding No. 4
16 is CalPERS's contention is that the district is required
17 to increase the compensation that it provides to monthly
18 classified nonteaching employees. This is a somewhat
19 unusual finding because there is nothing in CalPERS's
20 statutes or regulations that requires specific rates of
21 pay for school employees.

22 ADMINISTRATIVE LAW JUDGE: Give me a second.

23 Before you -- will I find that language in the
24 Statement of Issues concerning No. 4?

25 MR. MORRISON: You may.

1 MR. GLAUBERMAN: Yes, Your Honor. The Statement of
2 Issues on page 3, and that's -- the entire PDF is
3 page 26, but it's A19 of CalPERS's exhibits, I believe.

4 ADMINISTRATIVE LAW JUDGE: I'm sorry. Tell me
5 again the entire...

6 MR. MORRISON: It appears to be Exhibit 3,
7 Bates-stamped No. 23 in the CalPERS's exhibits.

8 ADMINISTRATIVE LAW JUDGE: So is it this quoted
9 language that begins -- the indented quoted language
10 that begins on line eight on page 3 of the Statement of
11 Issues? Is that what we are talking about?

12 MR. MORRISON: No. I'm referring to the audit.
13 I'm sorry. That's the...

14 ADMINISTRATIVE LAW JUDGE: This --

15 MR. MORRISON: Yes.

16 ADMINISTRATIVE LAW JUDGE: Seven, this says
17 "Observation for states."

18 MR. MORRISON: That's correct.

19 ADMINISTRATIVE LAW JUDGE: And what is the critical
20 language in 4 that you were telling me about in your
21 opening statement?

22 MR. MORRISON: Midway down, there is a reference to
23 the number \$3,915.60.

24 ADMINISTRATIVE LAW JUDGE: Yes.

25 MR. MORRISON: And there is a statement that the

1 recorded monthly pay rate should have been \$3,915.60.

2 ADMINISTRATIVE LAW JUDGE: Okay. And you were
3 saying that...

4 MR. MORRISON: The pay rate that they are
5 indicating is not the negotiated pay rate.

6 ADMINISTRATIVE LAW JUDGE: I'm sorry. Give me a
7 second.

8 Do we have someone new with us?

9 Mr. Soria, you're not back, are you? No.

10 MR. GLAUBERMAN: No, Your Honor. This is CalPERS's
11 first witness, Anthony Suine.

12 ADMINISTRATIVE LAW JUDGE: Okay. Pronounce your
13 name for me, please.

14 MR. SUINE: Suine (pronunciation).

15 ADMINISTRATIVE LAW JUDGE: Okay. That's easy.
16 Give me a second.

17 Mr. Suine, will you tell me your title,
18 please?

19 MR. SUINE: Yes. It's deputy executive officer
20 over customer services and support branch at CalPERS.

21 ADMINISTRATIVE LAW JUDGE: "Deputy executive..."

22 MR. SUINE: Officer.

23 ADMINISTRATIVE LAW JUDGE: Officer.

24 MR. SUINE: Customer services and support branch.

25 ADMINISTRATIVE LAW JUDGE: Is it over customer

1 services or just customer services?

2 MR. SUINE: Customer services and support branch.

3 ADMINISTRATIVE LAW JUDGE: Okay. Mr. Suine, there
4 has been a request to exclude witnesses from the
5 proceeding, and that's no reflection on you or any other
6 witness. It's just that, as you may know, in trials,
7 attorney's often think it's better for someone who is
8 going to testify not to hear other testimony before they
9 testify.

10 So after your testimony, if it's clear you're
11 not going to be called back, you'll be welcome to stay
12 and observe. But before you've testified, I'm going to
13 ask you to sign off, and Mr. Glauberman will be in touch
14 with you when it's time for your testimony.

15 MR. SUINE: Thank you, Your Honor.

16 ADMINISTRATIVE LAW JUDGE: Thank you, sir.

17 All right. Mr. Morrison, so we have a
18 reported monthly pay rate PERS contends should have been
19 3,915.60.

20 MR. MORRISON: Yes.

21 ADMINISTRATIVE LAW JUDGE: You were telling me that
22 they base that on something that is not found in the
23 statutes. And what is it they base that on?

24 MR. MORRISON: All right. Well, that's a number
25 that is not found in the district pay schedule at all,

1 and nor is there anything in the CalPERS statutes and
2 regulations that discusses specific pay rates for
3 specific positions or how much people need to be paid.

4 There simply is nothing in the law that
5 addresses that. That is typically a subject of
6 collective bargaining, which is a school district will
7 negotiate with its employees, and that's what we get
8 here. The school district does have salary schedules
9 that have been designated with its unions.

10 And to cut to the chase, Your Honor, what is
11 essentially going on is CalPERS is taking a look at the
12 district's hourly salary schedule, salary schedule for
13 hourly and classified employees, and they are saying
14 that the amounts in that salary schedule, when
15 multiplied by a specific number, and that number is
16 173.33, should be -- should be the numbers in the
17 monthly salary schedule.

18 So, essentially, what they are saying is there
19 needs to be a relationship between --

20 ADMINISTRATIVE LAW JUDGE: 173.33?

21 MR. MORRISON: Yes.

22 ADMINISTRATIVE LAW JUDGE: So PERS is saying that
23 what should be...

24 MR. MORRISON: Essentially, what they are saying is
25 that the district's hourly pay rate multiplied by 173.33

1 must equal the monthly pay rate for any given cell in
2 the salary schedule. And, obviously, every district
3 employee does not receive the same compensation.

4 There was a particular employee -- she's not
5 named here.

6 ADMINISTRATIVE LAW JUDGE: Let's back up. Let's go
7 back over this again. I mean, this is not language that
8 I'm used to dealing with every day, so you're going to
9 have to be patient with me, please.

10 MR. MORRISON: Sure.

11 ADMINISTRATIVE LAW JUDGE: PERS is saying that the
12 hourly pay rate times 173.33 must equal...

13 MR. MORRISON: The monthly pay rate.

14 ADMINISTRATIVE LAW JUDGE: The monthly pay rate.

15 MR. MORRISON: And there are some employees, Your
16 Honor, who work for the district on an hourly basis.
17 There are other employees that work for the district on
18 a monthly basis.

19 ADMINISTRATIVE LAW JUDGE: Okay.

20 MR. MORRISON: And the auditors took a look at one
21 particular employee who is a monthly employee, and they
22 took a look at the salary schedule that applied to that
23 employee, and essentially, what they are saying is that
24 the amount that we paid to that employee is not correct
25 and needs to be adjusted.

1 And according to them, the adjustment is to
2 take -- or the method of adjustment is to take the
3 hourly pay rate that would apply to employees at the
4 same range and the same step on the salary schedule,
5 multiply that by 173.33 -- and we have the salary
6 schedules. It may be easier if I showed those to you.

7 ADMINISTRATIVE LAW JUDGE: Give me a second. Let
8 me catch up here.

9 Okay. PERS looked at one employee who is not
10 an hourly employee but is on a monthly rate, and what
11 did PERS do with that employee?

12 MR. MORRISON: Your Honor, if I may suggest, it may
13 be easier if we turn to one of our exhibits, and I can
14 show you the numbers that we are actually looking at.
15 It may be actually a lot easier to start that way.

16 ADMINISTRATIVE LAW JUDGE: Okay.

17 MR. MORRISON: And that would be Exhibit 7. It's
18 our Exhibit 7. I think they have been re -- renumbered
19 in some way?

20 (Respondent's Exhibit No. 7 was
21 marked for identification by the
22 Administrative Law Judge.)

23 ADMINISTRATIVE LAW JUDGE: All right. So this may
24 take me a little while. As I told you, I can't get into
25 CaseLines. In fact, the first thing I'm going to do is

1 see whether I still cannot get in. If I can't, I have
2 to go to my e-mails and try to find your Exhibit 7. So
3 just give me a few minutes.

4 MR. GLAUBERMAN: Are you speaking, Counsel, of the
5 December 10, 2019, letter?

6 MR. MORRISON: No. I'm speaking -- there is an
7 exhibit that has a bunch of district salary schedules.

8 MR. GLAUBERMAN: Okay. Got you.

9 ADMINISTRATIVE LAW JUDGE: Is there a title to it?

10 MR. MORRISON: It's the third and fourth pages of
11 the exhibit. These are hourly salary schedules for the
12 2012-'13 school year.

13 ADMINISTRATIVE LAW JUDGE: What does the first page
14 look like? What am I looking for?

15 MR. MORRISON: The first page says "Exhibit 7," and
16 then the page after that says "2012-'13 salary
17 schedule." That's it there.

18 ADMINISTRATIVE LAW JUDGE: Okay.

19 MR. GLAUBERMAN: Page 595 in the PDF, Your Honor.

20 ADMINISTRATIVE LAW JUDGE: Okay. Thanks for the
21 help.

22 MR. MORRISON: I think one page further. One more,
23 Your Honor. Okay. There we go.

24 ADMINISTRATIVE LAW JUDGE: Would you tell me one
25 more thing: The first page of this, the page that says

1 "Exhibit 7," what is the CaseLines page number? G1?

2 MR. MORRISON: G1.

3 ADMINISTRATIVE LAW JUDGE: Okay. Thanks.

4 MR. MORRISON: So we are now looking at G4 on
5 CaseLines.

6 ADMINISTRATIVE LAW JUDGE: Good.

7 MR. MORRISON: Okay. All right. And the employee
8 that we are dealing with, Your Honor, is compensated at
9 range 36, and you can see the ranges on the salary
10 schedule on the left-hand side, column F, which is the
11 furthest column on the right-hand side. So the number
12 that is in that cell, if she was an hourly employee --

13 ADMINISTRATIVE LAW JUDGE: Tell me again. The
14 employee we are talking about is compensated at...

15 MR. MORRISON: Range 36F on the monthly salary
16 schedule.

17 ADMINISTRATIVE LAW JUDGE: 36F, and will I see 36F
18 on this exhibit?

19 MR. MORRISON: If you scroll up to the top, you'll
20 see the -- you'll see "Range" on the top left.

21 ADMINISTRATIVE LAW JUDGE: Yes.

22 MR. MORRISON: And then the columns, you also -- at
23 the very top, you'll see the columns indicated A through
24 F.

25 ADMINISTRATIVE LAW JUDGE: So we are talking about

1 the next to the last column, the one before "Range
2 Step."

3 MR. MORRISON: Yes. What you'll also note, Your
4 Honor, is that this is the hourly salary schedule. The
5 employee we are dealing with is actually on the monthly
6 salary schedule, which is the very next page of the
7 exhibit, but they look very similar and they are
8 organized in the same way.

9 ADMINISTRATIVE LAW JUDGE: And what is the
10 significance of the 36 and 36F?

11 MR. MORRISON: Positions have different ranges.
12 Higher level positions are compensated at -- that they
13 earn more money, so if you are at a higher level
14 position, you're going to be at a higher range. That
15 simply denotes the level of compensation.

16 ADMINISTRATIVE LAW JUDGE: Let me just take a look
17 at this chart here. So within level 36, there are
18 different steps. Is that the way it works?

19 MR. MORRISON: Correct.

20 ADMINISTRATIVE LAW JUDGE: So we have step A, step
21 B, step F, et cetera?

22 MR. MORRISON: Yes.

23 ADMINISTRATIVE LAW JUDGE: Okay. Give me a second.

24 All right. Go ahead.

25 MR. MORRISON: All right. So as you may have

1 noticed, the hourly salary schedule and the monthly
2 salary schedule, they look identical in terms of the
3 organization, but the numbers in the various cells, the
4 salary numbers, are quite different. Monthly amounts
5 obviously are larger; hourly amounts are much smaller.
6 The auditors looked at a very specific --

7 ADMINISTRATIVE LAW JUDGE: Give me a second,
8 please. Monthly salary schedule. Okay.

9 Where will I see a monthly salary schedule?
10 What CaseLines page number? G...

11 MR. MORRISON: Well, it was just up on the screen.
12 Let me -- it should be G5. That sounds right.

13 ADMINISTRATIVE LAW JUDGE: And G4 was the hourly
14 range; is that right?

15 MR. MORRISON: Correct.

16 ADMINISTRATIVE LAW JUDGE: Okay. Great. Is the
17 employee we're talking about shown on this, or does this
18 not -- does this not necessarily identify the employee
19 we're talking about?

20 MR. MORRISON: The audit report itself does not.
21 There is some correspondence from CalPERS which does
22 identify the employee, and that's in one of our other
23 exhibits. So if need be, we can identify the employee
24 by name. We also have some of the employee's pay
25 records that are part of another exhibit.

1 ADMINISTRATIVE LAW JUDGE: Okay. Go ahead, please.

2 MR. MORRISON: But I think the -- maybe the best
3 place to start with looking at the monthly salary
4 schedule is just to note that the employee that was
5 audited, the employee that was sampled and whose data
6 was considered as part of the audit, is compensated at
7 range 36, step F, and she's a monthly employee.

8 And so her monthly compensation is indicated
9 in this document that we are looking at, and it's -- if
10 you go to 36 column F, the amount there is 3,795, that's
11 \$3,795. That's the monthly compensation.

12 ADMINISTRATIVE LAW JUDGE: Give me a second.

13 It looks like that's on line 36; is that
14 right?

15 MR. MORRISON: Correct.

16 ADMINISTRATIVE LAW JUDGE: Give me a second.

17 Will you refer to that employee as -- in the
18 pronoun, you said "she"; is that right?

19 MR. MORRISON: Yes. Yes.

20 ADMINISTRATIVE LAW JUDGE: Okay. So she is
21 compensated at 3,795 per month?

22 MR. MORRISON: Correct.

23 ADMINISTRATIVE LAW JUDGE: Okay. Go ahead.

24 MR. MORRISON: All right. Now, this is the part
25 where I'm going to ask you to take out a calculator.

1 It's just simple division, but it would be helpful just
2 to have that available perhaps on your phone.

3 But if you take that number, 3,795 --

4 ADMINISTRATIVE LAW JUDGE: Let me get a calculator.

5 All right. So should I put 3,795 in my
6 calculator?

7 MR. MORRISON: Yes.

8 Then I'm going to have you divide that number⁹ by
168.

10 ADMINISTRATIVE LAW JUDGE: All right.

11 MR. MORRISON: And the amount that should be
12 showing up on your calculator is 22.58. Hopefully, we
13 are on the same page.

14 What I will ask you to do, Your Honor, is go
15 to the preceding page in our exhibit, which I believe is
16 page G4, and if we look at range 36, the same range,
17 column F, in the hourly salary schedule, we see that
18 same amount 22.58.

19 ADMINISTRATIVE LAW JUDGE: Give me a second.

20 22.5875. Is that dollars per hour, or what is
21 that?

22 MR. MORRISON: Correct. Correct, Your Honor.

23 ADMINISTRATIVE LAW JUDGE: Okay.

24 MR. MORRISON: In that same relationship -- that
25 168 relationship is true for every number in the hourly

1 salary schedule and every number in the monthly salary
2 schedule. So for any given cell in the hourly salary
3 schedule, if you multiply by 168, you get the number in
4 the monthly salary schedule. For every number in the
5 monthly salary schedule, if you divide by 168, you
6 get --

7 (Reporter interruption for clarification)

8 MR. MORRISON: Yes. What I was saying was for
9 every number in the hourly salary schedule, if you
10 multiply it by 168, the product of that multiplication
11 is the number that appears in the same -- sorry -- in
12 the corresponding cell of the monthly salary schedule.

13 And if you take any number in the monthly
14 salary schedule and divide it by 168, the product of
15 that division is the number in the corresponding cell of
16 the hourly salary schedule.

17 And what that simply reflects, Your Honor, is
18 an assumption that there are 21 workdays a month, 8
19 hours a day; 21 times 8 is 168. That's an assumption
20 that is built into the district salary schedule.

21 And the reason we are here today is if CalPERS
22 has a different assumption, and they have taken the
23 position that the district, in structuring its salary
24 schedule, must use their assumption, not its own, the
25 assumption --

1 ADMINISTRATIVE LAW JUDGE: Give me a second,
2 please.

3 Okay. Thanks.

4 MR. MORRISON: All right. So, again, the
5 assumption the district salary schedule is structured on
6 is a nominal 168-hour month. CalPERS is saying that we
7 can't do it that way, that we have to assume that every
8 month has 173.33 hours.

9 And I think probably the best way to sort of
10 show how that number finds its way into the audit is the
11 document that is in front of us, Your Honor, the hourly
12 salary schedule --

13 ADMINISTRATIVE LAW JUDGE: Give me a second,
14 please.

15 MR. MORRISON: Sure.

16 ADMINISTRATIVE LAW JUDGE: So the 168 is the
17 district's assumption as to how many work hours there
18 are per month; is that correct?

19 MR. MORRISON: Essentially, Your Honor. And I will
20 note that months have different lengths.

21 ADMINISTRATIVE LAW JUDGE: Yes.

22 MR. MORRISON: February is a short month; December
23 is a longer month.

24 ADMINISTRATIVE LAW JUDGE: Yes.

25 MR. MORRISON: You know, months have a variety of

1 different number of days, and we also have leap years
2 with additional days that are thrown into February, so
3 there is no fixed amount of days per month. It's
4 changing from month to month and sometimes from year to
5 year.

6 ADMINISTRATIVE LAW JUDGE: Yes, I understand that.
7 So give me just a second here.

8 So PERS says you must use 173.33?

9 MR. MORRISON: Yes.

10 ADMINISTRATIVE LAW JUDGE: So I assume from that
11 that PERS is not quibbling with the proposition that the
12 district needs a factor that it can use, it just -- it's
13 quibbling with what the number should be; is that
14 correct?

15 MR. MORRISON: That's our understanding, Your
16 Honor.

17 ADMINISTRATIVE LAW JUDGE: Okay. Give me a second.

18 Do you know how PERS arrived at the 173.33?

19 MR. MORRISON: I do.

20 ADMINISTRATIVE LAW JUDGE: Do you want to share?

21 MR. MORRISON: Yes. They assume that every year
22 has exactly 52 weeks, no more, no less, and that every
23 week consists of 5 potential workdays, 5 weekdays. And
24 when you multiply 52 weeks times 5, you get 260. If you
25 then want to figure out the number of hours in those

1 days --

2 ADMINISTRATIVE LAW JUDGE: So that's weeks per
3 year; right?

4 MR. MORRISON: Weeks per year. So the assumption
5 is 200 -- 52 weeks, 260 days, multiply by 8 to get the
6 number of hours.

7 ADMINISTRATIVE LAW JUDGE: I'm sorry. We have
8 52 weeks and 5 workdays, so the 260 is days per year,
9 not weeks per year, days per year; right?

10 MR. MORRISON: Correct.

11 ADMINISTRATIVE LAW JUDGE: Days.

12 MR. MORRISON: And then if you want hours per year,
13 you multiply it by 8, and you get 2008.

14 Now, if you want to get hours per month --

15 ADMINISTRATIVE LAW JUDGE: Give me a second.

16 MR. MORRISON: Okay.

17 ADMINISTRATIVE LAW JUDGE: 2,080, not 2,008; right?

18 MR. MORRISON: Correct. 2,080.

19 ADMINISTRATIVE LAW JUDGE: Sorry. I misheard.
20 2,080, and then you divide that by 12?

21 MR. MORRISON: Correct.

22 ADMINISTRATIVE LAW JUDGE: Okay. What do you get
23 if you divide 2,080 by 12?

24 MR. MORRISON: You get the number I was mentioning
25 before, 173.33, and that is the factor that CalPERS is

1 saying that we are required to use.

2 ADMINISTRATIVE LAW JUDGE: All right.

3 MR. MORRISON: And just to demonstrate, if we can
4 take the exhibit right in front of us, which I believe
5 is G4, and if we go to cell 36F, what CalPERS has
6 essentially done is they took that amount, I believe
7 they rounded it up. So if we start with -- it says
8 "22.5875," but if we turn that into 22.59, and we
9 multiply by 173.33, the factor that CalPERS is insisting
10 on --

11 ADMINISTRATIVE LAW JUDGE: Give me a second,
12 please.

13 So we are back at -- what line was it?

14 MR. MORRISON: 36F, and the amount we are looking
15 at is \$22.5875. That's the hourly rate.

16 ADMINISTRATIVE LAW JUDGE: Wait. Wait. Wait.

17 So when you -- when you say "36," you're
18 talking about one of the lines in the first column; is
19 that right?

20 MR. MORRISON: Well, it's actually in the first
21 column and the last column.

22 ADMINISTRATIVE LAW JUDGE: Oh, okay. So I had
23 assumed that this page was 36, but this page is many
24 numbers in addition to 36; is that right?

25 MR. MORRISON: Yes. This actually shows the

1 hourly -- this is the entire hourly salary schedule.
2 Every classified hourly employee can find their
3 compensation somewhere on this page. Somebody at range
4 60 is going to be earning more than somebody at range
5 20.

6 ADMINISTRATIVE LAW JUDGE: Give me a second.

7 So is 36 a range?

8 MR. MORRISON: 36 -- yes, 36 is a range. And then
9 I would describe F as a step. Or -- well, it's -- in
10 any event, if you go to row 36, that's range 36, and
11 then somebody at 36F, you would go to row 36, column F.

12 ADMINISTRATIVE LAW JUDGE: So we have many, many
13 ranges as six steps. Is that the way it works?

14 MR. MORRISON: Yes.

15 ADMINISTRATIVE LAW JUDGE: Okay. Give me a second.

16 Okay. So now in this case, the employee PERS
17 looked at was in range 36, step F, so \$22.59. Is that
18 what they did?

19 MR. MORRISON: Essentially. Your Honor, I will
20 note the employee that we are dealing with is actually,
21 as I mentioned, on the monthly salary schedule.

22 ADMINISTRATIVE LAW JUDGE: All right.

23 MR. MORRISON: But they're saying there needs to be
24 a relationship between hourly and monthly, and the
25 amount of the hourly schedule is exactly the amount you

1 just said. And so if we take that amount, and -- I'm
2 going to ask you to take 22.59 -- I believe they rounded
3 up.

4 ADMINISTRATIVE LAW JUDGE: Give me a second.

5 I need to make a note of where I'll find that
6 22.5. So this was on -- I can't see -- it's G4, isn't
7 it?

8 MR. MORRISON: Yes.

9 ADMINISTRATIVE LAW JUDGE: And this is hourly?

10 MR. MORRISON: Correct.

11 ADMINISTRATIVE LAW JUDGE: Okay. So PERS took that
12 hourly number and multiplied it by 173.33. Is that what
13 you're going to tell me?

14 MR. MORRISON: Yes. But I'm going to put two more
15 3's on the end of that, so .3333, just so that the
16 numbers match a little better. I think that's what they
17 actually did. So what I have in my calculator is 22.59
18 times 173.3333.

19 ADMINISTRATIVE LAW JUDGE: What is the product?

20 MR. MORRISON: The product of that is 3,915.599.
21 It goes on from there, but that's the important part.

22 ADMINISTRATIVE LAW JUDGE: \$3,915.599. And then if
23 we go over to the monthly --

24 MR. MORRISON: Actually, Your Honor, what I'm going
25 to ask you to do, if you can, is to go to the Statement

1 of Issues.

2 ADMINISTRATIVE LAW JUDGE: Yes. Hold on.

3 All right. I have that.

4 MR. MORRISON: If we can go to page -- I believe
5 it's page 4 of -- Bates-stamped page 4, I believe.

6 ADMINISTRATIVE LAW JUDGE: So PERS is contending
7 that the school district is reporting this woman's
8 salary at too high a rate. Is that --

9 MR. MORRISON: No. They were contending that we
10 were reporting it at too low of a rate and we need to
11 increase it for her and every other employee in the
12 district.

13 ADMINISTRATIVE LAW JUDGE: Wait a minute. If you
14 look at the Statement of Issues, page 3, line 10 and 11,
15 for example, the agency reported a monthly pay rate of
16 4,122 in the pay period ending August 31, 2012; however,
17 the reported monthly pay rate should have been 3,915.
18 So it looks to me as though they are contending you were
19 reporting too high a rate.

20 MR. MORRISON: It looks that way, but that's not
21 the case. What is actually going on, Your Honor, is
22 that \$4,122 amount includes some longevity payments that
23 take it up -- the amount that the employee in question
24 was actually receiving is the \$3,795 that was on the
25 monthly salary schedule. That's the amount we were

1 looking at.

2 ADMINISTRATIVE LAW JUDGE: Okay. Give me a couple
3 minutes. It's going to take me a while to jot that all
4 down.

5 MR. MORRISON: Your Honor, if I may suggest, the
6 \$4,122 amount is not --

7 ADMINISTRATIVE LAW JUDGE: I'm going to forget this
8 unless you let me have time to put it down.

9 MR. MORRISON: Thank you. Thank you.

10 ADMINISTRATIVE LAW JUDGE: So for the salary the
11 district did report, I'm supposed to look at page G5; is
12 that correct?

13 MR. MORRISON: Yes.

14 ADMINISTRATIVE LAW JUDGE: Okay. And remind me
15 again of what that figure is.

16 MR. MORRISON: \$3,795 per month.

17 ADMINISTRATIVE LAW JUDGE: So PERS is contending
18 that the district underreported by approximately \$120
19 per month; is that right?

20 MR. MORRISON: Correct.

21 ADMINISTRATIVE LAW JUDGE: Okay. So if you look at
22 the Statement of Issues, page 3, line 11, the 4,122
23 includes the 3,795 plus...

24 MR. MORRISON: Plus the longevity payment.

25 ADMINISTRATIVE LAW JUDGE: Longevity.

1 MR. MORRISON: And, Your Honor, just to add one
2 point of complication, the \$4,122 amount is actually
3 incorrect.

4 ADMINISTRATIVE LAW JUDGE: Okay.

5 MR. MORRISON: It should have been 4,022, but the
6 longevity payment is not at issue in this proceeding.
7 We are really only looking at --

8 ADMINISTRATIVE LAW JUDGE: So tell me again what
9 the 4,122 should have been.

10 MR. MORRISON: 4,022.

11 ADMINISTRATIVE LAW JUDGE: Thank you.

12 MR. MORRISON: The longevity payment is not an
13 issue in this proceeding. The entire issue is whether
14 the district can pay the 3,795 on its salary schedule or
15 whether it had to pay the 3,915.60 that CalPERS is
16 indicating.

17 ADMINISTRATIVE LAW JUDGE: So the 4,122 should have
18 been 100 less, but that's not an issue in this case?

19 MR. MORRISON: Correct.

20 ADMINISTRATIVE LAW JUDGE: Okay. Give me a second.

21 So is PERS saying that you underpaid the
22 employee or that you underreported what you should have
23 been paying to PERS or both?

24 MR. MORRISON: I suspect it's both. What they are
25 saying here is that we underpaid the employee; although,

1 what they have also told us is that it's also possible
2 that we are overpaying our hourly employees. Again,
3 there needs to be, according to CalPERS, a relationship
4 between the hourly and the monthly compensation.

5 So if you start with the hourly compensation,
6 and you multiply it by 173.33, you get this larger
7 amount, and it looks like you're underpaying your
8 monthly employees. If you start with the monthly salary
9 schedule and you divide by 173.33, then according to
10 CalPERS, you get a lower amount than the hourly salary
11 schedule, and according to them, we would be overpaying
12 our hourly employees.

13 So what they seem to be insisting on, at least
14 our understanding, is in the relationship of 173.33
15 between the hourly and the monthly rates of pay. And
16 the way they calculated it here, they essentially said,
17 "Well, you're underpaying your monthly employees. You
18 need to pay them more."

19 ADMINISTRATIVE LAW JUDGE: Give me a second. Give
20 me a second.

21 So your understanding is that PERS contends
22 that the district is underpaying or overpaying the
23 monthly employees?

24 MR. MORRISON: Well, what the audit says is that we
25 are underpaying the monthly employees. We need to pay

1 them --

2 ADMINISTRATIVE LAW JUDGE: Give me a second.

3 So your understanding is PERS contends that
4 the district is underpaying the monthly employees or
5 overpaying the hourly employees, one or the other, huh?

6 MR. MORRISON: Well, if they are requiring use of
7 this 173.33 factor, then one of those must be true. The
8 audit says we are underpaying the monthly employees, but
9 it's equally plausible, and what they have told us
10 separate and apart from the written audit finding, is
11 that another view is that we are overpaying hourly
12 employees.

13 I don't know that CalPERS has a preference in
14 terms of whether we increase monthly pay or whether we
15 decrease hourly pay. They want to maintain that 173.33
16 relationship.

17 ADMINISTRATIVE LAW JUDGE: All right.

18 MR. MORRISON: All right. The district's position
19 is that the 173.33 factor is not found in any statute or
20 any regulation that is binding on the school district,
21 particularly with respect to active employees like the
22 employee that was sampled in this case.

23 The 173.33 factor is a preference -- is a
24 preference that CalPERS has identified. It is not a
25 statutory mandate. It is not a regulatory requirement,

1 nor is it a formula that is fixed in the laws of nature.

2 It assumes there are 260 days -- weekdays in a
3 given year, and we know that that is not true in most
4 years. They are assuming exactly 52 weeks a year,
5 exactly 260 weekdays per year. In fact, most years have
6 261 days; some years have 262 weekdays.

7 ADMINISTRATIVE LAW JUDGE: All right. Let's go
8 back and start telling me that again.

9 MR. MORRISON: Okay.

10 ADMINISTRATIVE LAW JUDGE: PERS has a preference
11 for assuming that every year has what? What? What?

12 MR. MORRISON: Well, PERS's formula, this 173.33
13 factor has some assumptions built into it. Those
14 assumptions are not accurate.

15 ADMINISTRATIVE LAW JUDGE: Yes. Okay.

16 MR. MORRISON: They are not accurate in every year.
17 The first assumption is that there are exactly 260
18 weekdays per year. They are assuming 52 -- that every
19 year is 52 weeks long, no more no less, when, in
20 reality, every year is 52 weeks plus a couple days.

21 From the 52 weeks, they are assuming 52 times
22 5, 260 weekdays every year, when, in reality, most years
23 have 261 days, some years have 262. They are assuming
24 173.33 hours per month, when, in fact, there is no month
25 that has 173.33 work hours.

1 So this formula is based on assumptions that
2 are not accurate, but our fundamental point is that --

3 ADMINISTRATIVE LAW JUDGE: I'm sorry. The first
4 point you made was they're using a formula that assumes
5 that there are exactly 260 weekdays. What does that
6 mean?

7 MR. MORRISON: Remember, Your Honor, we calculated
8 the 173.33.

9 ADMINISTRATIVE LAW JUDGE: I do.

10 MR. MORRISON: And the way we did that was we
11 started with each -- with some assumptions, that the
12 fundamental assumption is that there are exactly
13 52 weeks in a year.

14 ADMINISTRATIVE LAW JUDGE: Yes.

15 MR. MORRISON: We multiplied that by 5 to get an
16 assumption that there are 260 days in the year.

17 ADMINISTRATIVE LAW JUDGE: Oh, workdays. I see.

18 MR. MORRISON: Yes. And we multiplied that by 8.

19 ADMINISTRATIVE LAW JUDGE: I just misheard you. I
20 thought you said "weekdays." It's workdays.

21 MR. MORRISON: Yes.

22 ADMINISTRATIVE LAW JUDGE: Give me a second.

23 You say that that's a fairly arbitrary
24 assumption because there are not exactly 260 workdays in
25 every year; is that correct?

1 MR. MORRISON: Yes. In fact, there are very -- in
2 fact, most years do not have 260 workdays.

3 ADMINISTRATIVE LAW JUDGE: So am I correct in
4 assuming that neither side pays any attention to
5 holidays?

6 MR. MORRISON: For purposes of this formula, it
7 does not appear that they are looking at holidays.

8 ADMINISTRATIVE LAW JUDGE: Okay. Great. Thank
9 goodness, huh?

10 MR. MORRISON: So the essential argument that we
11 are making is that there is nothing in the law, there is
12 no statute, there is no regulation, that requires the
13 district to use any particular factor to establish a
14 relationship between the hourly and the monthly rates of
15 pay for its classified employees.

16 It's our position that if CalPERS wanted to
17 require the district to use a particular factor, then
18 they should arrange for a statute to be adopted or they
19 should adopt a regulation, but they have not.

20 And so what they are attempting to require is
21 that we use a factor that is not contained in the law,
22 but is instead a mere preference. And, again, this is a
23 formula. This 173.33 factor is built on some
24 assumptions that simply are not true.

25 You know, as indicated, one of those

1 assumptions is that the day has -- or sorry -- that the
2 year consists of exactly 260 workdays. The other
3 assumption is that any given month consists of 173.33
4 work hours, which is never true.

5 ADMINISTRATIVE LAW JUDGE: Okay.

6 MR. MORRISON: All right. Your Honor, I'm going to
7 throw one more bit of math at you, and I know it's a
8 lot.

9 ADMINISTRATIVE LAW JUDGE: I love math.

10 MR. MORRISON: What?

11 ADMINISTRATIVE LAW JUDGE: I'm digging this. I
12 like math.

13 MR. MORRISON: All right.

14 ADMINISTRATIVE LAW JUDGE: I was good at math in
15 high school.

16 MR. MORRISON: All right. So if we take the
17 260 days that CalPERS is assuming -- the 260-day
18 workdays that CalPERS is assuming every year, and we
19 divide that by 12, we get a number of days per month.
20 And that's an assumption -- that's another assumption
21 that's built into CalPERS's formula, and what they are
22 assuming is 21.67 days per month.

23 ADMINISTRATIVE LAW JUDGE: If you divide 260 by 12,
24 is that what you get, 21.6?

25 MR. MORRISON: 21.67.

1 ADMINISTRATIVE LAW JUDGE: Okay.

2 MR. MORRISON: Now, as it turns out -- let me talk
3 about something different for a moment. CalPERS is the
4 state agency. They are headquartered in Sacramento.
5 There are districts -- school districts all around the
6 state. Tustin Unified is in Orange County.

7 And the structure that has been set up is that
8 CalPERS interacts with districts primarily through the
9 local county superintendent of schools, which is another
10 way of referring to the local county office of
11 education. In Orange County, the county office of
12 education is called the Orange County Department of
13 Education. And so they serve as a liaison, essentially,
14 between the districts and CalPERS.

15 ADMINISTRATIVE LAW JUDGE: Give me a second. Give
16 me a second.

17 In Orange County, it is called...

18 MR. MORRISON: The Orange County Department of
19 Education.

20 ADMINISTRATIVE LAW JUDGE: They are a liaison
21 between...

22 MR. MORRISON: Between school districts in Orange
23 County and CalPERS.

24 And I would also note, Your Honor, they are an
25 agent of CalPERS. There is some case law we'll identify

1 in our post-hearing brief that makes clear the county
2 offices of education serve as agents of CalSTRS and
3 CalPERS, the big state pension systems that apply to
4 school employees.

5 We are going to have testimony from an
6 administrator with the Orange County Department of Ed, a
7 gentleman by the name of Gary Stine, and what he is
8 going to explain is that districts in Orange County use
9 a variety of pay factors and always have. Some of them
10 use 21.66, which is very close to the 21.67.

11 ADMINISTRATIVE LAW JUDGE: Give me a second.

12 Some use 20...

13 MR. MORRISON: All right. So the district uses
14 21 days a month.

15 ADMINISTRATIVE LAW JUDGE: I want to get back to
16 what you told me. He's going to testify --

17 MR. MORRISON: He's going to testify the
18 districts --

19 ADMINISTRATIVE LAW JUDGE: -- the school districts
20 in Orange County use a variety of factors. Some use...

21 MR. MORRISON: Some use 21 days a month, like
22 Tustin Unified. Some use 21.66, which is essentially
23 the number that CalPERS is arguing. Some of them use
24 22. Some of them use 21.75. There is one that uses
25 21.6. So districts in Orange County have historically

1 used a number of different factors as a basis for
2 calculating a relationship between their hourly rates of
3 pay and their monthly rates of pay.

4 ADMINISTRATIVE LAW JUDGE: Give me a second.
5 Thanks.

6 MR. MORRISON: And, Your Honor, there is a letter
7 that we will be introducing. It's a letter from 2007,
8 and it was issued by the Orange County Department of Ed
9 to Tustin Unified, and the letter notes that the
10 district has a pay factor that assumes 21 days per
11 month.

12 ADMINISTRATIVE LAW JUDGE: In the letter, there is
13 acknowledgment that what?

14 MR. MORRISON: That the district -- the pay factor
15 the district is using to correlate its hourly and
16 monthly compensation is based on 21 days a month, and
17 the letter essentially says that's fine. As long as
18 you're paying minimum wage and you're paying overtime
19 under Fair Labor Standards Act, you can set your wage
20 rate however you want. That's what the letter says, and
21 that's what -- that's what the district did.

22 They maintained that 21-day assumption, and
23 they did so with knowledge of CalPERS's agent, the
24 Orange County Department of Education, for many years.
25 This letter from 2007 is one example, but there's simply

1 no question that Orange County Department of Ed was
2 aware of the pay factor the district was using, and by
3 extension, CalPERS knew or should have known as well.

4 Now, despite that, neither CalPERS nor Orange
5 County Department of Ed has ever approached the district
6 prior to this audit to say that the district is using an
7 improper pay factor or anything of the sort. So our
8 client Tustin Unified has essentially been blindsided by
9 this audit which, again, is requiring a pay factor that
10 is not in any statute. It's not in any regulation, and
11 it's based on some assumptions that simply aren't true.

12 And in closing, I will note that there is a
13 very easy solution here, and the solution is if CalPERS
14 wants to require something of the district or of other
15 employers, there is a very clear and very easy way to do
16 that, and that is to impose requirements in statute, to
17 impose requirements in regulation.

18 It is not appropriate to enforce preferences
19 that are not statutory and not regulatory through the
20 audit process, which is exactly what we have going on
21 right now.

22 And so what -- what CalPERS is essentially
23 doing is asking OAH of all agencies to enforce an
24 unlawful, underground regulation, a requirement that is
25 essentially a policy. But it's not a policy that is a

1 statute or regulation, and we would ask you to uphold
2 the district's appeal and to reject this effort by
3 CalPERS.

4 ADMINISTRATIVE LAW JUDGE: Thank you, Mr. Morrison.

5 We will be in recess for ten minutes, please.

6 (A recess was taken)

7 ADMINISTRATIVE LAW JUDGE: Back on the record,
8 please.

9 Mr. Glauberman.

10 MR. GLAUBERMAN: Thank you, Your Honor.

11 First, before I get into the nuts and bolts of
12 CalPERS's opening and the evidence we intend to put on,
13 we did amend our Statement of Issues, not for anything
14 substantive, and I sent counsel a copy of it. It hasn't
15 been uploaded into CaseLines, though.

16 But because on page -- let's see here -- it
17 would have been page 7 of the Statement of Issues, I
18 believe, where CalPERS cites to 20636.1(b)(1) of the
19 Government Code, we incorrectly cited, I believe, to
20 20636 and not 20636.1. But we are --

21 ADMINISTRATIVE LAW JUDGE: What line are you
22 looking at, Mr. Glauberman?

23 MR. GLAUBERMAN: In the initial Statement of
24 Issues, that would be line 17, 18, 19, and 20 of page 7
25 of the Statement of Issues.

1 ADMINISTRATIVE LAW JUDGE: Okay. Tell me again
2 what was in the original Statement of Issues, what
3 number, section number?

4 MR. GLAUBERMAN: I believe it was 20636, which is
5 generally for CalPERS's members, whereas 20636.1 is for
6 school members, which this case, of course, involves
7 school members. And I didn't upload it to CaseLines
8 because when I uploaded a Request For Official Notice
9 yesterday, it's one of the things that through
10 everything into disarray.

11 The exhibit to the request went to different
12 places, and so I have it on my desktop. We filed it
13 with OAH, and we served it, but it hasn't been uploaded.

14 ADMINISTRATIVE LAW JUDGE: Okay. So does the new
15 one read -- sorry. Excuse me. Does the new one read .1
16 sub (b) (1)?

17 MR. GLAUBERMAN: Yes, Your Honor, just as the old
18 one did. But the definition of pay rate is different.

19 ADMINISTRATIVE LAW JUDGE: I thought you said that
20 the original one said merely 20636.

21 MR. GLAUBERMAN: It said 20636.1(b)(1), Your Honor.

22 ADMINISTRATIVE LAW JUDGE: Oh.

23 MR. GLAUBERMAN: But it included the wrong
24 definition of pay rate from a different section.

25 ADMINISTRATIVE LAW JUDGE: Oh. So the quoted

1 material from line 17 to 21 is not the correct quote?

2 MR. GLAUBERMAN: That is correct. And I believe
3 counsel uploaded actual statute in some of the exhibits,
4 which those accurately reflect the operative statute at
5 issue, but I also wanted to make sure that our Statement
6 of Issues included the correct section or subsections.

7 ADMINISTRATIVE LAW JUDGE: Okay. So I'm going to
8 strike through that language and -- I think -- are you
9 telling me that I'm not going to need that language or
10 that I need to go into Westlaw and pick that up?

11 MR. GLAUBERMAN: It's -- it is in the exhibits that
12 counsel has provided, but it's also helpful if it's in
13 the Statement of Issues. I can share my screen and just
14 show you real quick just what I have and what we updated
15 too.

16 ADMINISTRATIVE LAW JUDGE: Okay.

17 MR. GLAUBERMAN: So it should be showing. And so
18 the language is not included -- and this is for
19 classified school members -- not included in the
20 original Statement of Issues as it talks about "For
21 purposes of this part for classified members full-time
22 employment, it's 40 hours per week, not -- payments for
23 services rendered, not to exceed 40 hours per week shall
24 be reported as compensation earnable for all months of
25 the year in which work is performed."

1 ADMINISTRATIVE LAW JUDGE: That's in the Government
2 Code; right?

3 MR. GLAUBERMAN: Yes, Your Honor.

4 ADMINISTRATIVE LAW JUDGE: All right. If we get to
5 a point which I need that, we'll just take a minute and
6 I'll go onto Westlaw and print it out.

7 MR. GLAUBERMAN: Okay.

8 ADMINISTRATIVE LAW JUDGE: Thanks.

9 MR. GLAUBERMAN: You're welcome, Your Honor.

10 With that out of the way, I don't want to get
11 into oral argument going in detail about what we are
12 going to be arguing because -- and I also think counsel
13 put out much of what is ultimately at issue here. But I
14 just want to make the Court aware of general -- the
15 general evidence CalPERS will be putting on.

16 One of the witnesses, Mr. Suine, will be
17 discussing 20636.1 and the CalPERS application of that
18 statute from a historical perspective and trainings on
19 that and educations related to that statute.

20 Another issue that CalPERS's witnesses are
21 going to be speaking to relates to the difference
22 between pay rate and earnings and compensation earnable
23 within those definitions, and in addition to that, Your
24 Honor, service credit, because CalPERS is not looking to
25 tell the district what it needs to pay its employees.

1 CalPERS is not in the business of telling its agencies
2 what to compensate their employees. CalPERS --

3 ADMINISTRATIVE LAW JUDGE: Give me a second,
4 please.

5 MR. GLAUBERMAN: Yes, Your Honor.

6 ADMINISTRATIVE LAW JUDGE: Thanks.

7 MR. GLAUBERMAN: As I was saying, Your Honor,
8 CalPERS is not in the business of telling or ordering
9 employers to pay their employees a certain amount. The
10 issue is here what is reported as pay rate to CalPERS.

11 And to distinguish between pay rate and
12 earnings, if an employee works two days in a month, but
13 then works all the days in a separate month, the pay
14 rate for that employee for those two months is going to
15 be exactly -- it should be exactly the same, and the pay
16 rate should be exactly the same as reported to CalPERS.
17 \$3,000 for the --

18 ADMINISTRATIVE LAW JUDGE: Tell me that example
19 again.

20 MR. GLAUBERMAN: Yes, Your Honor.

21 ADMINISTRATIVE LAW JUDGE: The issue is what is
22 reported as pay rate to PERS, and then you gave me an
23 example of an employee working what amount?

24 MR. GLAUBERMAN: Just for example, works different
25 amounts in every month. So say one month that employee

1 works two days, and then the next month that employee
2 works a full schedule, 21 days, just in this example.
3 The pay rate for those two months should be identical as
4 reported to CalPERS.

5 What that individual earns in each of those
6 months will be different, of course, but the rate of
7 pay, say \$3,000 a month for the full month, that's what
8 the pay rate should be for each month.

9 ADMINISTRATIVE LAW JUDGE: Is there a requirement
10 that an employer report in terms of hours or days? How
11 do they have to report?

12 MR. GLAUBERMAN: CalPERS generally leaves that up
13 to the employer so long as they are reporting it
14 accurately, and that's hourly, monthly, or daily that is
15 allowed by -- that CalPERS allows, generally, Your
16 Honor.

17 In addition, Your Honor, counsel was correct
18 in the CalPERS's position that we are aware of the
19 opinion that for the sampled employee, the monthly pay
20 rate should have been increased, but the hourly pay
21 rate, if they were to use hourly, it's CalPERS's
22 position so long it's reported accurately could be
23 correct.

24 But one of the issues that CalPERS looked at
25 here is the pay rate to earnings relationship, which in

1 CalPERS's position resulted in an overreporting of
2 service credit. It's CalPERS's position that although
3 pay rate was underreported here, service credit for the
4 sample employee was overreported by a little bit.

5 ADMINISTRATIVE LAW JUDGE: I don't understand that.

6 MR. GLAUBERMAN: That's something the witnesses
7 will be able to get into a little better detail, Your
8 Honor. But Government Code section 20962, which it is
9 in the CalPERS original Statement of Issues and the
10 amended one, the end of page 7 and the beginning of
11 page 8, defines what full-time employment is for service
12 credit purposes in a fiscal year.

13 And it defines different parameters for what
14 full-time service credit is. Under A2 of that statute,
15 Your Honor, for persons employed on a monthly basis, ten
16 months is good for one year of service credit.

17 ADMINISTRATIVE LAW JUDGE: Ten months of service
18 credit. So what's the significance of that? Does that
19 mean that you can get credit for a full year of service
20 even though you work only ten months out of the year?

21 MR. GLAUBERMAN: That's a complicated question.
22 Theoretically, yes, but the issue in this case is the
23 sampled employee was a 10-month employee who worked over
24 a period of 11 months during the fiscal year.

25 But based on the other factor, then in this

1 situation, we also looked at how many days that
2 individual worked, and it was 209 days, I believe, based
3 on her schedule, and the amount of hours was also below
4 the sub 4 in this section. So Cal -- so based on the
5 relationship between pay rate, earnings, and service
6 credit, CalPERS ultimately is of the position that the
7 pay rate was -- or not the pay rate, but the service
8 credit was overreported.

9 And it's our position that none of these can
10 be looked at in isolation by themselves. It's a big --
11 they are moving parts, and CalPERS is the administrator
12 of retirement benefits for millions of members and
13 retirees. The schools, I believe, are CalPERS's largest
14 membership group, and in addition to that, the lowest
15 paid group of CalPERS's members.

16 And CalPERS is looking to implement its
17 statutes and regulations equitably across the board so
18 that individuals who worked the same positions, the same
19 hours, and the same amount of pay, but in different
20 agencies, have the same pay rate at the end of the day
21 for retirement purposes.

22 ADMINISTRATIVE LAW JUDGE: Give me a second.

23 MR. MORRISON: Your Honor, I'm going to interpose
24 an objection. The -- the audit report itself does not
25 make a finding with respect to service credit. It does

1 not mention the word -- the term "service credit." It
2 does not include a reference to Government Code 20962.
3 If that is an issue, it's not an issue before you, and
4 it's not an issue that was included in the audit.

5 As Mr. Glauberman noted, pay rate is a fixed
6 concept regardless of the hours that an employee works.
7 The finding that we are dealing with involves pay rate,
8 not service credit. And the time to raise an issue
9 involving service credit would be when the audit was
10 issued, not on the day of the hearing.

11 ADMINISTRATIVE LAW JUDGE: I will note your
12 objection.

13 So give me a second, Mr. Glauberman.

14 PERS is concerned with trying to make sure
15 that these hours are reported equitably among different
16 agencies of the state?

17 MR. GLAUBERMAN: Yes, Your Honor, that is correct.
18 Accurately and equitable. We are not concerned and
19 aren't going to tell an agency how much they can
20 compensate an individual on an hourly or monthly basis.
21 We are concerned with accurate reporting.

22 ADMINISTRATIVE LAW JUDGE: So I'm not sure I am
23 understanding the distinction you're making. Would it
24 raise an issue for CalPERS if OAH paid its secretarial
25 staff less than some other agency paid theirs?

1 MR. GLAUBERMAN: CalPERS is not concerned with what
2 the pay -- the actual pay -- the earnings are of an
3 individual. I often find myself, Your Honor, conflating
4 the concept of pay rate and earnings when looking at
5 this issue, and I -- I'm often confused, but they are
6 separate issues that the witnesses that I intend to put
7 on can help explain better in dealing with this issue on
8 a regular basis.

9 ADMINISTRATIVE LAW JUDGE: Okay.

10 MR. GLAUBERMAN: With that, Your Honor, CalPERS
11 requests its determination is upheld and the appeal of
12 the district is denied, Your Honor.

13 ADMINISTRATIVE LAW JUDGE: All right. Who's our
14 first witness?

15 MR. GLAUBERMAN: The first witness will be Anthony
16 Suine, Your Honor. I will text him to get him to join
17 once again.

18 ADMINISTRATIVE LAW JUDGE: Thank you very much.

19 MR. GLAUBERMAN: I've let him know that we are
20 ready, Your Honor, so we're just waiting on him to join.

21 ADMINISTRATIVE LAW JUDGE: Very well.

22 Welcome back, Mr. Suine.

23 MR. SUINE: Thank you.

24 ADMINISTRATIVE LAW JUDGE: I'm going to administer
25 on oath to you, sir.

1 MR. SUINE: Yes.

2

3

ANTHONY SUINE

4 called as a witness on behalf of the Claimant, having
5 first been duly sworn by the Administrative Law Judge,
6 was examined and testified as follows:

7 THE WITNESS: I do.

8 ADMINISTRATIVE LAW JUDGE: State your name, please,
9 and spell it for the record.

10 THE WITNESS: Anthony Suine, S-U-I-N-E.

11 ADMINISTRATIVE LAW JUDGE: Thank you.

12 Mr. Glauberman.

13 MR. GLAUBERMAN: Thank you, Your Honor.

14

15

DIRECT EXAMINATION

16 BY MR. GLAUBERMAN:

17 Q Mr. Suine, where do you work?

18 A I currently work for CalPERS, and I'm the
19 deputy executive officer over our customer services and
20 support branch.

21 Q How long have you held that position?

22 A I've been in this position since January of 2020.

24 Q What are your general duties in your current
25 position?

1 A I oversee six division chiefs that each of
2 those divisions perform -- not customer service
3 functions -- so we have the member account management
4 division, which handles account management of member
5 accounts. Primarily service credit purchases are one of
6 the major functions of that group.

7 I have the retirement benefits services
8 division that processes and calculates and distributes
9 all retirement benefits. Also, in that area, is the
10 Judges and Legislators' Retirement System that perform
11 the variety of CalPERS's functions for that group.

12 I have the disability and survivor benefits
13 division that makes disability determinations for our
14 members that apply, and then also pays out survivor
15 benefits to -- after a member has deceased.

16 And then I have the customer experience
17 division, which is basically our contact center agents.
18 I have the customer education and outreach division,
19 which handles educating members and employers, and is
20 responsible for our eight regional offices around the
21 state that handle member counseling appointments for
22 retirement and other services. And then I --

23 Q Go ahead. You can finish.

24 A Just the last one is the employer account
25 management division, which handles employer education,

1 payroll reporting that comes in from employers, and then
2 review of compensation that may be in question by our
3 members, and membership reviews that qualify employees
4 for membership.

5 Q You mentioned education and outreach, I think.
6 Do you have any personal experience with that yourself?

7 A I do. I've been at CalPERS for approximately
8 30 years, and at one point in time, back in the early to
9 mid-2000's, I did work on training and educating
10 employers on membership and payroll reporting, the
11 proper laws, functions related to that reporting.

12 Q Okay. And in your time at CalPERS, have you
13 experienced training or -- strike that.

14 In your time at CalPERS, are you familiar with
15 its implementation of Government Code section 20636.1?

16 A Yes. In that role, I trained many school
17 employers, school benefit officers, payroll technicians.
18 I go out to the school sites. I go to conferences, such
19 as California School Business officials. I presented at
20 our annual CalPERS employer education forum.

21 ADMINISTRATIVE LAW JUDGE: I'm sorry. May I ask
22 you to go back? "I trained many..."

23 THE WITNESS: School employers and school personnel
24 in their payroll and benefits offices. We used a
25 variety of mediums to train them, Your Honor.

1 ADMINISTRATIVE LAW JUDGE: Thank you.

2 MR. GLAUBERMAN: Thank you, Your Honor.

3 BY MR. GLAUBERMAN:

4 Q Mr. Suine, are you familiar with how CalPERS
5 had implemented 20636.1 historically?

6 A Yes, I am.

7 Q Okay. And are you familiar at all with a
8 173.33 conversion for pay rate reporting purposes?

9 A Yes, I am.

10 Q What's your basic understanding of the 173.33
11 pay rate conversion that CalPERS uses?

12 A Yes. The 173.33 represents the average
13 monthly hours over the course of a year for an employee.
14 So we use that conversion rate to take hour -- an
15 employer is allowed to report a pay rate for a member in
16 an hourly, daily, or monthly fashion, so when an hourly
17 pay rate is reported, we convert that.

18 If the work schedule is 40 hours per week, we
19 use the 173.33 to turn that into a monthly equivalent,
20 and that's important when we're calculating final
21 compensation, which is one component of a member's
22 retirement allowance.

23 ADMINISTRATIVE LAW JUDGE: Okay. You used the
24 173.33 to convert. What -- what do you always convert
25 into? Do you convert into --

1 THE WITNESS: To monthly.

2 ADMINISTRATIVE LAW JUDGE: Monthly?

3 THE WITNESS: Yeah. So the 133 is 40 hours.

4 ADMINISTRATIVE LAW JUDGE: Give me a second.

5 THE WITNESS: 40 hours per week times 52 weeks
6 divided by 12 comes up with the 173.33.

7 ADMINISTRATIVE LAW JUDGE: So then you keep records
8 concerning service credit in terms of monthly -- tell me
9 how it works.

10 THE WITNESS: The pay rate is the key here, Your
11 Honor, to calculate final compensation. So final
12 compensation is one of three factors to a retirement
13 allowance, and final compensation is typically 12
14 consecutive months of monthly pay rates to get an
15 average of what is used in your final compensation. It
16 can also be 36 months, but, you know, for these
17 purposes, I used 12.

18 So if somebody reports a \$10 an hour pay rate,
19 we need to convert that to a monthly equivalent to
20 determine what the member's final compensation would be.
21 So we take ten hours -- or \$10 an hour times 173.33, and
22 that individual would have a monthly equivalent of
23 \$1,733.33.

24 If you worked that consistently for 12 months,
25 your -- your average monthly final comp is 1,733.33, and

1 then we would multiply that by your years of service and
2 your benefit factor, which is determined by your age.

3 ADMINISTRATIVE LAW JUDGE: Thank you.

4 BY MR. GLAUBERMAN:

5 Q So is 173.33 included in Government Code
6 section 20636.1?

7 And I'm going to share my screen. I've got
8 20636(b)(1), and this is CalPERS's amended Statement of
9 Issues that I'm showing. Is 173 included there?

10 MR. MORRISON: I'm going to object. Calls for a
11 legal conclusion.

12 ADMINISTRATIVE LAW JUDGE: Overruled.

13 THE WITNESS: It's not specifically called out in
14 this section. Only the 40 hours per week for classified
15 school employees is called out in this section, so the
16 173.33 could be derived from the 40 hours per week.

17 ADMINISTRATIVE LAW JUDGE: Give me a second.

18 How would you derive 173.33 from 40?

19 THE WITNESS: Yes, Your Honor. It's -- that
20 formula I used before, the 40 hours per week times
21 52 weeks is 2,080, and then divided by 12 is that
22 monthly equivalent of 173.33.

23 ADMINISTRATIVE LAW JUDGE: 40 hours a week times 52
24 divided by 12?

25 THE WITNESS: Yes.

1 ADMINISTRATIVE LAW JUDGE: So -- but I don't mean
2 to argue with you. I'm just trying to understand this
3 clearly.

4 THE WITNESS: It's because, you know, the hours
5 per -- in a particular month may vary, you know,
6 depending on how many days are in the month, so we break
7 it down to an equivalent for the entire year.

8 So that's where we get the 40 hours per week
9 is the normal work schedule, times 52 weeks in a year,
10 divided by 12, so that we convert -- so that we can
11 convert that monthly pay rate into -- or sorry -- that
12 hourly pay rate into a monthly average for retirement
13 calculation purposes.

14 ADMINISTRATIVE LAW JUDGE: I'm just trying to
15 figure out whether this statement in subdivision
16 (b) (1) --

17 THE WITNESS: I can add something to context.

18 ADMINISTRATIVE LAW JUDGE: -- directs us to use
19 this formula. I see how you start with 40 hours per
20 week and use this formula, but I'm not sure that I see
21 that subdivision (b) (1) requires this formula as opposed
22 to some different formula. Okay. Let's --

23 THE WITNESS: I can add some context to that.

24 ADMINISTRATIVE LAW JUDGE: Okay.

25 THE WITNESS: If I'm asked.

1 So schools, some of our -- you know, we have
2 three sectors of employees who are CalPERS members:
3 School -- classified school employees primarily, which
4 are the bus drivers, cafeteria workers, crossing guards,
5 et cetera, the nonteachers; and then we have state
6 employees; and then we have public agency employees,
7 which may be cities, counties, special districts like
8 water districts, cemetery districts, et cetera.

9 In some other sectors, primarily the public
10 agency sector, they may be closed every other Friday
11 during a month, and so they have varying work schedules,
12 such as, you know, they are only open on average
13 35 hours a week. So they report to us their work
14 schedule, and then we would convert that monthly pay
15 rate into a -- using a different factor based on
16 35 hours per week.

17 Schools -- historically, the school districts
18 for classified employees, they might not have had a
19 40-hour workweek contract with their classified
20 employees. The contract may be 35 hours, 37 1/2 hours
21 for that particular type of employment, whether it be
22 the cafeteria worker, bus driver, and then they're
23 allowed to work in other positions that may get them up
24 to 40 hours and even beyond 40 hours.

25 So that -- there's approximately -- I can't

1 remember the exact number -- but 600 to 800 school
2 districts across California, and you have all of those
3 reporting for their employees to CalPERS, and this
4 reporting is really the -- you know, the lifeblood of
5 the retirement calculations. So whatever they report
6 needs to be accurate so we can calculate an appropriate
7 retirement allowance.

8 So because there was a lot of inconsistency
9 with reporting across so many school districts,
10 classified school employees are typically the lowest
11 paid in the CalPERS system. They have the lowest paid
12 retirement allowance. So the average retirement
13 allowance is about \$3,200, and classified school
14 employees is below 3,000.

15 So what the school unions were looking to do
16 is create some consistency, ensure consistency across
17 the districts, and also ensure that their members were
18 getting the highest pay rate possible to be calculated
19 for retirement purposes.

20 ADMINISTRATIVE LAW JUDGE: Did you say -- the
21 school districts were trying to do, did you say?

22 THE WITNESS: The unions. The school unions were
23 really trying to ensure their members, which are the
24 classified school employees who are reported to CalPERS,
25 were getting, one, the best possible compensation for

1 retirement purposes, and, two, just all treated equally
2 across all those districts. So that was really the
3 test --

4 ADMINISTRATIVE LAW JUDGE: But the unions did not
5 arrive at the 173.33. Are you meaning to say that
6 unions and school districts called PERS's attention to
7 this matter and requested that PERS do something to
8 unify this?

9 THE WITNESS: Yeah. The law stating that 40 hours
10 per week -- hours up to 40 hours per week need to be
11 reported is really the crux of this. So that's where we
12 take the 40 hours and get the 173.33 equivalent because
13 that law, in particular, states up to 40 hours per week
14 should be considered full-time for a school employee.

15 So, basically, that's telling us for all
16 school employees, use a 173.33 equivalent for an hourly
17 pay rate for school employees. So regardless of what
18 the -- you know, may be deemed full-time for a week, use
19 40 hours for these classified school employees.

20 And so all our systems are built to -- they
21 have a business rule; right? This isn't done manually,
22 obviously, because we have 2 million members. So the
23 business rules in our system, whenever they see a member
24 who is a classified school employee and they see an
25 hourly pay rate, the system multiplies that by 173.33 to

1 determine the monthly equivalent pay rate used for final
2 compensation purposes.

3 Your Honor, when I trained the school
4 employers, I would tell them, "If you report your pay
5 rates hourly, it's foolproof because CalPERS does the
6 calculation based on the law." Right?

7 If they try to convert that hourly rate to a
8 monthly pay rate internally, and then report to us a
9 monthly pay rate, then they have the chance of using a
10 different full-time workweek other than 40 as specified
11 in 20636.1.

12 So when the school employer manufactures the
13 monthly equivalent on their own and reports a monthly to
14 us, then that's where you can get the varying
15 inconsistent application of final compensation.

16 BY MR. GLAUBERMAN:

17 Q Can you give an example, Mr. Suine, of how the
18 converting of pay rate to a monthly can create a
19 variance in final compensation?

20 A Yes. You know, if we just took an example
21 of -- you know, if you base a workweek -- if we use the
22 easy example of \$10 an hour, obviously, that's extremely
23 low pay rate, but it's easy to convert. So if you take
24 an hourly pay rate of \$10 an hour, and you use the 173
25 conversion, then you have this \$1,733.

1 If the monthly hours per week are considered
2 to be, say, 37 1/2, then you take 37 1/2 times 52 is
3 19.50, divided by 12, now you have a conversion of
4 162.5.

5 So if you take that \$10 an hour pay rate and
6 convert it to a monthly equivalent, and you only use a
7 full-time workweek of 37 1/2, now that member's final
8 compensation is \$1,625. Right? So if you were to use
9 that formula in a retirement allowance, obviously, you
10 would want your retirement allowance based off \$1,733 as
11 opposed to \$1,625.

12 So over a long-time career, that could have an
13 impact of -- you know, depending on what hourly
14 conversion the district was using, it can have a \$100,
15 \$50 impact on the member's retirement allowance, and
16 that's a monthly allowance for the rest of their life.
17 So it doesn't seem like much for a month, but over the
18 course of their life, it could be impactful.

19 ADMINISTRATIVE LAW JUDGE: Can we go back a ways.

20 Your example was \$10 per hour. You said if
21 you use 173.33, that would equal 1,733. And then you
22 went on to if you use 37.5. What was the 37.5?

23 THE WITNESS: So that's what some districts would
24 call full-time for an employee. Some would use 37.5,
25 some would use 35. And so if you use that equivalent

1 to -- or that full-time workweek to calculate into a
2 full-time equivalent, the member would be deprived of a
3 higher final compensation. And, again, you can take
4 either of those workweeks times 52 divided by 12 to get
5 the factor to convert an hourly into a monthly.

6 MR. MORRISON: Your Honor, I'm going to interpose a
7 relevance objection. The sample employee in this case,
8 I believe the evidence will show that she worked a
9 40-hour workweek; although, certainly if the witness has
10 contrary information, I would imagine they could provide
11 that.

12 But I'm not seeing the relevance of talking
13 about employees that are working 35 hours a week or
14 37 hours a week when that's not the case for the
15 employee that we are dealing with.

16 THE WITNESS: So my own --

17 ADMINISTRATIVE LAW JUDGE: That's -- that objection
18 is overruled. Mr. Glauberman is trying to convince me
19 that there was a need to unify this among reporters, so
20 the objection is overruled.

21 So -- I'm sorry. I didn't follow how you got
22 from 37 1/2 hours to 162.5.

23 THE WITNESS: So, Your Honor, if I could use -- I
24 see that you're writing things down, and if you
25 calculate it out in example, so, you know, in this

1 particular case, the one pay sample that I have had a --
2 had a pay rate -- an hourly pay rate of \$22.59.

3 ADMINISTRATIVE LAW JUDGE: I thought we were using
4 \$10 per hour for your example.

5 THE WITNESS: Yes. I was using that from an
6 example for ease of multiplication, but if you wanted to
7 use the actual example --

8 ADMINISTRATIVE LAW JUDGE: No. I want to follow
9 what you told me originally.

10 THE WITNESS: Okay. So if you multiply \$10 by
11 173.33, your monthly equivalent salary for retirement
12 calculation purposes is \$1,733.33 a month.

13 ADMINISTRATIVE LAW JUDGE: Yes, I got that.

14 THE WITNESS: Okay. And if I -- if I was told that
15 your full-time work schedule was 37 1/2 hours --
16 right? -- then I would take 37 1/2, and I would multiply
17 it by 52 weeks just like I do with the 40, and that gets
18 me to 1,950, and then I divide by 12, and I get 162.50
19 as the monthly conversion amount.

20 Are you with me there so far?

21 ADMINISTRATIVE LAW JUDGE: Yes. I understand it
22 now.

23 THE WITNESS: So then if I multiply that by the ten
24 hours per week, now I'm saying your monthly equivalent
25 for retirement purposes is only \$1,625, so \$108 less --

1 ADMINISTRATIVE LAW JUDGE: Okay.

2 THE WITNESS: -- of what the 40-hour per week
3 equivalent calculates to.

4 ADMINISTRATIVE LAW JUDGE: Okay. Thank you.

5 BY MR. GLAUBERMAN:

6 Q So I unmuted my computer instead of the phone
7 that is already on.

8 Anyway, why do we have to multiply -- you're
9 multiplying these numbers over 52 weeks. Why do we have
10 to do it that way? Why can't CalPERS just take whatever
11 the employer reports?

12 A So we're trying to -- the idea is to create a
13 standard reporting across all 2,800 different CalPERS
14 employers that are reporting, so creating this
15 consistency of how we take an hourly pay rate and
16 convert it to a monthly pay rate since that's what's
17 used in the retirement calculation.

18 You know, 95-plus percent of our employees
19 have a work -- a work schedule of 40 hours per week. As
20 I mentioned, we do have those varying work schedules
21 across some of our public agency employers, and then
22 20636.1 was an effort to create consistency of 40 hours
23 per week amongst the school employees.

24 Q Does PERS presume in doing this that 52 weeks
25 is the precise exact amount of weeks in every year?

1 A No. Obviously, the, you know, leap years and
2 other instances may vary that 52 weeks slightly, but,
3 you know, it wouldn't be material in the calculations.
4 So, you know, 52 weeks is applied, you know, standardly
5 across all our calculations.

6 Q So is that the same for, say, 260 days in a
7 year?

8 A That's correct.

9 Q Okay. So it's not exact, but CalPERS is
10 trying to, you know, average it out as best as it can?

11 A Right. If somebody reported a daily rate, we
12 multiply it by 21.667, which is, you know, the average
13 number of days -- working days in a month.

14 Q Okay. You mentioned earlier something called
15 a business rule. Can you explain what that is?

16 A The business rules are what's built into our
17 myCalPERS system that are used to, you know, take the
18 law and have business rules built in where somebody is
19 not doing manual calculations of our, you know,
20 thousands of retirements every month and other types of
21 benefits that are paid out. So the business rules are
22 built into the system to perform the calculations in
23 accordance with the law.

24 Q Got you.

25 A And it helps build edits and audits, as well.

1 Q And you mentioned, you know, the reporting --
2 strike that.

3 How does reporting work to CalPERS when it
4 comes to an agency reporting its pay rate for members to
5 CalPERS?

6 ADMINISTRATIVE LAW JUDGE: I'm sorry.
7 Mr. Glauberman, would you tell me -- ask me again -- ask
8 again.

9 BY MR. GLAUBERMAN:

10 Q How does reporting to CalPERS work from
11 agencies reporting pay rates for their members?

12 A Sure. I mentioned those 2,800-plus employers;
13 some report individually to us. Some -- in the schools,
14 you might have a district report all up to a county
15 office of education, and then that county office reports
16 for all the districts, similar to the state where the
17 departments report up to the state controller's office,
18 and we get one reporting for all of them.

19 But that they -- they use -- they can use
20 different methods to report that data to us. Typically,
21 what they are reporting to us is the pay rate, which is
22 the normal base rate of pay. They're reporting their
23 earnings or how much an employee actually earned during
24 that period; that helps us determine service credit.

25 They're telling us how they're reporting it to

1 us: monthly, daily, hourly. And then they're reporting
2 any special compensation to us, which maybe falls
3 outside of the base pay rate, and then they report the
4 contributions to us that the member pays on their
5 earnings. And then that feeds into our system.

6 They might -- if they have a sophisticated
7 payroll system, they may create a file and send that
8 file to us that's then uploaded into our system. You
9 know, most of the school districts use that, or the
10 large employers, like a city or county. Other small
11 agencies can go online and just send us an online report
12 of their payroll every pay period or every month.

13 Q Is CalPERS able to review the reported pay
14 rate for every individual member every time it comes in?

15 A We have a lot of edits and audits built in to
16 try and prevent erroneous reporting, but it's not
17 possible to validate every pay on the front end. Right?
18 And then we do our best -- if we can't validate it on
19 the front end, we do our best to review it on the back
20 end, either through audits of employers or through edits
21 and audits we have of retirement calculations. So
22 sometimes it may not be caught until later in the
23 process.

24 Q And you mentioned things that are reported:
25 pay rate earnings, service credit, special comp, and

1 contributions; is that correct?

2 A Yes.

3 Q What are contributions?

4 A Contributions are the percentage of pay a
5 member contributes towards their retirement, and that's
6 based off the earnings. So, typically, a member might
7 have an 8 percent member contribution rate. So we take
8 their earnings, multiply it by 8 percent, and that's
9 what the employer should be deducting from the member's
10 check and paying to us.

11 And then the employer also has an employer
12 contribution rate. That's calculated annually by our
13 actuaries, and it is, you know, taken off all the
14 earnings that are reported on a monthly basis for the
15 employer, and that's what they pay to cover their
16 CalPERS contributions.

17 Q Does CalPERS --

18 (Reporter interruption for clarification)

19 BY MR. GLAUBERMAN:

20 Q Does the preferred reporting method that
21 CalPERS wants for the school agencies affect the
22 contributions that would be paid by the employer?

23 A No, it would not. The contributions paid are
24 based on the earnings, not the pay rate, so there is a
25 real distinction between pay rate and earnings. Pay

1 rate is what is used for final compensation purposes,
2 and earnings are what the employee actually earned
3 during that period.

4 So an easy example or to demonstrate that is
5 if an employee works half-time, you have two employees,
6 they are both in the same job, same tenure, same rank on
7 the salary schedule, they would both have the same pay
8 rate reported to us, but the half-time employee may only
9 have half the earnings reported to us. So they would
10 only pay contributions on half those earnings. Yet both
11 of them have the same pay rate for retirement purposes.

12 ADMINISTRATIVE LAW JUDGE: Give me a second,
13 please.

14 THE WITNESS: Sure.

15 ADMINISTRATIVE LAW JUDGE: So are we talking
16 ultimately about the calculation of service credits or
17 something else?

18 THE WITNESS: Mr. Glauberman was asking me the
19 distinction between earnings and pay rate. But you're
20 right, Your Honor, it ultimately feeds into service
21 credit, which is another component of the retirement
22 calculation.

23 ADMINISTRATIVE LAW JUDGE: Yes. So the person who
24 worked 40 hours per month would wind up with higher
25 service credits than the person who worked 20 hours per

1 month; isn't that correct?

2 THE WITNESS: Correct: They should have had the
3 same pay rate and final compensation.

4 ADMINISTRATIVE LAW JUDGE: So even though they had
5 the same pay rate, there -- what they actually earned is
6 relevant to what they're going to have as service
7 credits; is that correct?

8 THE WITNESS: That's correct. And, you know, to
9 put an emphasis on that, Your Honor, if -- if somebody
10 did work 40 hours per week, which 20636.1 says "Report
11 all hours worked up to 40 hours per week," if you tried
12 to report earnings of 40 hours per week, and you lowered
13 the pay rate to something that wasn't based on 40 hours
14 per week, you would exceed the service credit for a
15 period.

16 You can't earn more than one year of service
17 credit in a year, and we calculate service credit by
18 taking the earnings and divide it by the pay rate. So
19 in our examples, if you -- you had a full-time pay rate
20 of \$10 an hour, and that calculated to \$1,625, and then
21 you reported earnings of 40 hours per week, which
22 equated to \$1,733, it would exceed a full month of
23 service credit and ultimately -- right? -- not match.

24 The earnings should always be equal to or
25 lower than the pay rate.

1 BY MR. GLAUBERMAN:

2 Q Is somebody precluded, then, from earning
3 service credit from overtime?

4 A That's correct. Overtime is not reportable to
5 CalPERS. They are not precluded from earning it.
6 Right? It can be paid. We often say, you know, "What
7 you pay the employee is one thing, but what is reported
8 to CalPERS must be, you know, in accordance with the
9 law."

10 Q So from your example, based on the employee
11 making \$10 an hour where the pay rate over the month was
12 in the \$160 range versus -- or the \$1,600 range versus
13 the \$1,700 range, does that affect the earnings that is
14 paid to that individual?

15 A It doesn't affect the earnings if the employer
16 is paying for all the hours worked. It just impacts the
17 final compensation for that individual member because
18 their pay rate is artificially lowered to less than
19 40 hours per week.

20 Q If the employer has reported -- the person
21 works 37 1/2 hours per week, and the employer is saying
22 their pay rate is based off of 37 1/2 hours per week,
23 why can't they just report that pay rate based on that
24 amount to CalPERS, or can they?

25 A Primarily, because of 20636.1, you know, where

1 we're -- the law is instructing employers for classified
2 school employees to report everything up to 40 hours per
3 week, and that the pay rate or compensation earnable
4 should be based on 40 hours per week.

5 Q Does CalPERS look at the pay schedule to
6 confirm everything is in compliance with CalPERS's rules
7 and laws?

8 A On the back end, on -- you know, when it comes
9 time for retirement. So, you know, we talked about
10 business rules. We do not have -- unfortunately, we do
11 not have all 2,800 employers' pay schedules loaded into
12 our system. Obviously, it's a -- that's a huge
13 undertaking, something we ultimately would love to do.

14 But, you know, there's many positions, and
15 those change all the time, and it would be a huge burden
16 on the employer to keep those all updated. So we don't
17 have all those pay schedules, so we can't verify the
18 monthly pay rate when it comes in that it's fitting the
19 pay schedule. We do those reviews on the back end, and
20 when an employee goes to retire, we may be prompted to
21 check those pay rates against the salary schedule, or
22 it's often done during times of audits.

23 So our audit's team will either use business
24 intelligence to review pay rates for employers and
25 compare that to salary schedules and determine, you

1 know, who they might edit and audit for those factors.

2 Q Okay. You mentioned earlier that you did
3 training as part of your work at CalPERS for a certain
4 period of time.

5 A Correct.

6 Q Did you do any training on this specific
7 subject we're talking about here, the 40-hour, you know,
8 requirement for classified employees for CalPERS?

9 A Yes, I did.

10 Q Can you explain what CalPERS's position or
11 interpretation of the law was as applied at that -- when
12 you did the trainings?

13 A Yes. As we saw, the reporting for school
14 members and issues raised around, you know, not equal
15 treatment across all districts, you know, lower wages
16 for the classified school members, you know, we really
17 set out to do two things.

18 There was two issues we saw, and so we created
19 a lot of examples and impacts for the schools in our
20 trainings: One, being that -- right? -- full-time
21 equivalent for schools is 40 hours per week based on
22 20636.1. And then 20636.1 also mentions, as well as
23 other sections of the Government Code, about reporting
24 as earned. Right? So the -- I forget what the exact
25 statement is for 20636.1.

1 Q I'm going to interrupt you right there because
2 it looks like you were looking at something, so I just
3 want everybody to know what you were looking at there.

4 A I was looking at the PERL, the Public
5 Employees Retirement Law. I was looking at 20636.1.

6 Q Okay.

7 A And it just says for all months and the year
8 in which work is performed.

9 Q So what does that mean from a reporting
10 perspective?

11 A Yeah. So for the classified school employees,
12 you know, a typical contract with the school employee
13 may span from August to June, and there would always be
14 a few days in August that were worked because the school
15 year would start late in August, and then there would be
16 a majority of June that is worked, but not the full
17 month, typically.

18 And so what -- what we would see happening is
19 school districts would report that they -- they
20 consolidate the reporting into 10 months, for two
21 reasons: One, because of ease of reporting, and, two,
22 because a lot of times, the school employee was paid
23 over 10 months instead of 11 or 12. So we would try to
24 illustrate the impacts if the law wasn't followed.

25 So, technically, because you're supposed to

1 report as earned, an employee who works four, six, ten
2 days in August, should have a pay rate reported in
3 August. So whether that was \$10 a month or 17 -- or
4 sorry -- \$10 an hour or \$1,733 a month, that employee
5 should have a pay rate in August all the way through
6 June.

7 So the only month they may not have a pay rate
8 is July because they don't work the month of July, any
9 days in the month of July unless they end up working
10 summer school, and then they should have a pay rate
11 reported in that month.

12 And the impact of that, as I mentioned before,
13 is for final compensation purposes; we look at 12
14 consecutive months of pay raise, and so we divide that
15 by 12. So when there is one month missing, obviously,
16 that amount is going to be deflated, that final
17 compensation, because we divide by 12 even if there is a
18 zero in one month.

19 So if you have a pay rate reported in
20 11 months versus 10, it's going to give you a higher
21 final compensation that you're entitled to, even though
22 the earnings may be minimal during that month.

23 Q Okay. So I just want to direct you to -- it's
24 going to be CalPERS's exhibit -- and I'm going to show
25 it on my screen -- Exhibit 19, I believe, and it's A416

1 and in the PDF, it's 423. And I'm going to share it so
2 everybody has it so you don't have to go to your own if
3 you don't want to. I will bring it up.

4 Okay. Is it up?

5 (Claimant's Exhibit No. 19 was marked
6 for identification by the Administrative
7 Law Judge.)

8 ADMINISTRATIVE LAW JUDGE: Excuse me a second,
9 please. I'm going to take this phone call.

10 (Pause in proceedings)

11 ADMINISTRATIVE LAW JUDGE: That was not the tech
12 support people I was hoping it was. Go ahead, please.

13 MR. GLAUBERMAN: Thank you.

14 BY MR. GLAUBERMAN:

15 Q So I just want to make sure everybody has
16 the -- it looks like a slide or a sheet that says
17 "Preventing misreported payroll transactions for
18 schools." Is that what is sharing right now?

19 A Yes.

20 ADMINISTRATIVE LAW JUDGE: Yes.

21 BY MR. GLAUBERMAN:

22 Q All right. Do you recognize this document,
23 Mr. Suine?

24 A Yes, I do.

25 Q What is this?

1 A This is a presentation from one of our
2 CalPERS's education forums that helps the school
3 districts and any other school employer attendees
4 understand the proper reporting.

5 Q Okay. And this says, I think, from 2018, it
6 looks like, at the bottom of the slide, so this was
7 after your period as -- your training agencies and
8 schools and other CalPERS's entities -- or related
9 entities?

10 A Correct.

11 Q Okay. Have you reviewed this prior to coming
12 to testify today, this training guide?

13 A Yes. I've seen this before as based on
14 similar presentations I gave back in the day.

15 Q Okay. So I'm going down and -- there it is.

16 MR. MORRISON: Your Honor, I'm going to interpose
17 an objection on relevance grounds. This presentation
18 doesn't appear to have been given to Tustin Unified. It
19 appears to involve dates that were after the audit
20 period. The audit was looking at the '12-'13 year and
21 compensation in '12-'13.

22 So the fact that a presentation may or may not
23 have been given a number of years after that to entities
24 other than Tustin Unified doesn't seem to us to be
25 particularly relevant.

1 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

2 MR. GLAUBERMAN: If I may, Your Honor, this was --
3 I came on board to this case late, so this was a later
4 acquired document. I'm just wanting to demonstrate the
5 consistency in training on certain issues we've been
6 discussing, Your Honor, not to prove that this was a
7 slide from 2012 or '13 or from 2005, but just
8 consistency in historical application training.

9 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, are you
10 going to argue that CalPERS has been inconsistent
11 through the years regarding this?

12 MR. MORRISON: What I would argue -- I guess I
13 would argue two points, Your Honor: First off, a
14 presentation is not a statute or a regulation. It
15 doesn't override a statute or regulation. So the
16 relevance of a particular presentation, if it conflicts
17 with the statute of regulation isn't apparent.

18 But there is no -- it doesn't appear to me
19 that there's any effort to suggest that this particular
20 presentation or a similar presentation was made to
21 Tustin Unified, and it certainly appears this document
22 was put together well after the audit period.

23 So the fact that CalPERS may have given a
24 presentation to some school employer at some point in
25 time after the audit period just doesn't seem to be at

1 all relevant to this proceeding.

2 ADMINISTRATIVE LAW JUDGE: But Mr. Glauberman's
3 argument is that he's using this simply in order to try
4 to demonstrate that CalPERS has been consistent in the
5 way it has handled this matter through the -- consistent
6 through the years.

7 So are you going to -- is there an issue
8 concerning consistency through the years? Are you going
9 to argue that CalPERS has waffled on this?

10 MR. MORRISON: Yeah. I mean, well, essentially,
11 yes.

12 ADMINISTRATIVE LAW JUDGE: Very well. The
13 objection is overruled.

14 Go ahead, please.

15 MR. GLAUBERMAN: Thank you, Your Honor.

16 BY MR. GLAUBERMAN:

17 Q Mr. Suine, I'm at page A435 of this exhibit
18 right now, which is in the PDF page 442. Do you see
19 this page, and is it big enough?

20 A It's not very big, but I see it.

21 Q Okay.

22 A Yes.

23 Q Can you tell based on what I have on this
24 slide what is being shown, just generally speaking?

25 A Yes.

1 Q What is this?

2 A This is a payroll record that comes in from an
3 employer and posts to our myCalPERS system for an
4 employee. It shows the payroll period, the posting
5 dates, what type of pay rate is being used, how much in
6 earnings that individual had earned for that period, and
7 then the special compensation tied to it.

8 Q Okay. Is there any way to judge just by
9 looking at this slide, which I -- am I presuming
10 correctly it's an exemplar? It's just an example?

11 A Well, this looks like an actual screen capture
12 from an employee's account.

13 Q Okay. Is there any way to tell from just
14 looking at this whether the reporting was correct or
15 incorrect?

16 A Not based on this solely alone.

17 Q Okay.

18 A I could tell you that if they were all
19 reported hourly, it would have complied with the law,
20 but they have -- it looks like the employer converted
21 the hourly pay rate to a monthly pay rate for one of the
22 particular positions the member was in.

23 Q Okay. So this next screen, it's talking about
24 equal payments. Can you explain CalPERS's purpose
25 behind, if you can, a training slide such as this?

1 A I can. This gets complex. You know, I
2 mentioned an employee -- school employees typically
3 getting paid, you know, over 11 months, but maybe they
4 only get 10 paychecks, that there was always issues with
5 schools properly reporting as earned, as we called it,
6 for the members.

7 So equal payments allowed -- as long as
8 they -- the school employer reported a pay rate in every
9 month in which the employee actually worked, that they
10 could record the earnings in equal payments across those
11 number of months.

12 So if they worked a few days in August and
13 then 26 days in June, that's 11 months. As long as they
14 reported a pay rate in 11 months, they could portion out
15 the earnings over those 11 months, and the service
16 credit would ultimately be the same for that individual,
17 but now their final comp is based on pay rates over
18 11 months as opposed to 10. So that's -- that's the
19 best I could do without writing out an example.

20 Q Okay. Now, I'm going down. I'm at PERS A438,
21 which is 445 in the PDF. Do you recognize this slide?

22 A Yes.

23 Q Can you explain what this is, if you can?

24 A Yep. This is a -- you know, an illustrative
25 view of what I tried to explain before of the impacts of

1 an employer reporting a pay rate only in 10 months as
2 opposed to 12.

3 So in this case, you know, the employee's
4 contract likely was for \$22,750 for a year. Their pay
5 rate was \$2,600 a month, or that was the monthly
6 equivalent, and while the employee's contract spanned
7 August through June, the employer shoved the August
8 earnings into September, or they reported equal payments
9 for the 10 months instead of 11.

10 So this particular member would -- if this was
11 their final retirement period or final 12 months, we
12 would take the \$2,600 pay rate, add those up, and then
13 we divide by 12 because it's 12 consecutive months for
14 final compensation. When you do that, the employee has
15 a final compensation of \$2,167. So 2,600 times 10
16 divided by 12.

17 Q You keep saying "divided by 12" for
18 calculations. Can CalPERS not divide by 10 for 10-month
19 employees?

20 A Not for final compensation purposes.

21 Q Why not?

22 A The law says -- states final compensation is
23 based on 12 consecutive months of pay rates.

24 Q Okay. Now, on the next slide in succession,
25 it's 446 of the PDF, and it's A439.

1 A Yes.

2 Q Can you explain, if you can, what's this
3 slide?

4 A Yep. So this is attempting to illustrate the
5 proper reporting methods for that school employee who
6 works a few days in August, and this is -- you know,
7 this example is truly reporting as earned, as the law
8 says.

9 And so you can see here, now the employee gets
10 a full-time pay rate in August, and then the earnings in
11 August represent -- I don't know what the actual
12 contract said -- but 6 or 8 days in August, and then the
13 24 days or so in June. So the earnings represent the
14 actual hours earned in those months, but now this member
15 has 11 pay rates of 2,600.

16 So they have a pay rate recorded in every
17 month in which they earned service. And so now we take
18 the 2,600 times 11 months, and divide that by 12, and we
19 get \$2,383 as a final comp instead of the 21.67 or 76,
20 and so that's 100 -- you know 100-plus dollars
21 difference, \$170 difference in final comp.

22 Q Now, to the best of your recollection, is this
23 training guide or presentation that was similar to what
24 you did when your duties included training?

25 A Yes. I have exact present -- I have

1 presentations back from '06, so all through that time
2 frame, that had these two exact same slides in them.

3 Q Okay. And during that time, did you ever
4 train on the -- what we've been talking about, the
5 40-hour reporting or the 173.33 monthly hours?

6 A Yes.

7 Q To the best of your recollection, has that
8 always been CalPERS's position regarding 20636.1?

9 A Yes. I typically had a slide that spelled out
10 to 20636.1 and the CalPERS reporting related to that
11 Government Code.

12 Q Okay. I'm going to move ahead now to A388,
13 which is CalPERS's Exhibit 15, which is the PDF 395.
14 And let me rotate that.

15 (Claimant's Exhibit No. 15 was marked
16 for identification by the Administrative
17 Law Judge.)

18 BY MR. GLAUBERMAN:

19 Q Do you recognize this document, Mr. Suine?

20 A Yes, I do.

21 Q What is this?

22 MR. MORRISON: I'm sorry. Which page are we on?

23 MR. GLAUBERMAN: We're on -- total PDF is 396. It
24 says "A389" in the top right corner.

25 MR. MORRISON: Can I see the Bates stamp on the

1 bottom part of the page? Okay. 374?

2 MR. GLAUBERMAN: Correct.

3 BY MR. GLAUBERMAN:

4 Q What is this document, Mr. Suine?

5 A This is a CalPERS circular letter that went to
6 all county superintendent of schools and the districts.

7 Q What is a circular letter?

8 A A circular letter is our main form of
9 communication with our employer groups. They can be
10 sent to all employers or a certain segment of employers.
11 They just help us announce new legislation that might
12 come through. It helps us clarify issues that are
13 brought to our attention.

14 So we might send, oh, gosh, I don't know, 50
15 to a hundred circular letters out every year to various
16 employer groups to help -- just help them understand the
17 laws, clarifications, address issues.

18 Q Do you have any -- do you have any -- not
19 impact, but did you have any hand in the creation or
20 writing of this circular letter?

21 A Yes, I did.

22 Q What was your role?

23 A I crafted the majority of this circular letter
24 and the examples that were in it.

25 Q Do you recall, if at all, the impetus for this

1 circular letter in particular?

2 A Yeah. It was to reinforce the training we
3 were doing across all the school districts, making sure
4 that all the school districts had the same information,
5 again, reinforce the legislation, the laws. We had --
6 right? -- continued to see some inconsistent reporting,
7 and so this was to clarify and try to illustrate proper
8 reporting.

9 Q So to the best of your knowledge, is this a
10 true and accurate copy of the March 22, 2005, circular
11 letter you drafted that CalPERS distributed?

12 A Yes. I believe it's still available on the
13 website.

14 MR. GLAUBERMAN: Your Honor, California PERS
15 requests introduction of Exhibit 15 into evidence.

16 ADMINISTRATIVE LAW JUDGE: Objections to 15?

17 MR. MORRISON: No objection, Your Honor.

18 ADMINISTRATIVE LAW JUDGE: 15 is in evidence.

19 (Claimant's Exhibit No. 15 was
20 received in evidence by the Administrative
21 Law Judge.)

22 BY MR. GLAUBERMAN:

23 Q You mentioned that letters like this circular
24 are distributed to all schools -- or this one to schools
25 and individual school districts. How do you know that?

1 A In the "To" line -- we have different
2 distribution lists, so in the "To" line, I can tell that
3 this went to all the county offices and the individual
4 school districts.

5 Q How does CalPERS distribute these letters?

6 A Back in the day, they were distributed via
7 mail, and now we have an electronic correspondence
8 system that goes to all contacts who are recorded in
9 our -- in our database and in our myCalPERS system.

10 ADMINISTRATIVE LAW JUDGE: Let me ask a question,
11 may I, please, concerning 20636.1. So I'm looking at
12 the language in this letter. Do I understand correctly
13 that 20636.1 concerns only noncertificated employees?

14 THE WITNESS: That's correct, classified school
15 employees.

16 ADMINISTRATIVE LAW JUDGE: So this doesn't concern
17 teachers; right?

18 THE WITNESS: Right. Teachers are typically part
19 of CalSTRS, certificated teachers.

20 ADMINISTRATIVE LAW JUDGE: Oh, I see. Yeah, okay.
21 Got it.

22 THE WITNESS: The -- most of our population of
23 school employees, the vast majority are classified
24 school employees, those who work in the office or
25 other --

1 ADMINISTRATIVE LAW JUDGE: Yes.

2 THE WITNESS: -- Your Honor.

3 The Education Code governs a lot of the
4 teacher reporting rules.

5 BY MR. GLAUBERMAN:

6 Q Does CalPERS have to adhere to those teacher
7 reporting rules from the Education Code?

8 A No. We try to coordinate and make sure
9 there's nothing in conflict, typically, because we do
10 have some teachers who elect -- who had been in PERS
11 before and elect to stay in PERS, and so that -- that's
12 the only time really that the Ed code and the PERL
13 really work in conjunction with each other. We try to
14 keep those consistent, but really the Ed code doesn't
15 apply to the classified employees.

16 Q Okay. I'm taking you now to Exhibit 16, A391,
17 which is 398 in the PDF.

18 MR. GLAUBERMAN: And, Counsel, that is 376 on the
19 bottom right Bates stamp.

20 (Claimant's Exhibit No. 16 was marked
21 for identification by the Administrative
22 Law Judge.)

23 BY MR. GLAUBERMAN:

24 Q Do you recognize this document, Mr. Suine?

25 A I do.

1 Q What is this?

2 A This is sort of a refresher, which we do
3 periodically if we continue to see issues, or it may
4 come from a -- come from our school employers that say,
5 "Hey, can you reinforce these rules?" May come from a
6 district. May come from the members themselves or
7 issues we see. So just a reinforcement of 20636.1 that
8 we sent out in 2005.

9 Again, another circular letter that went to
10 all county offices and districts, and we -- we are now
11 imposing an administrative fee if the reporting -- we
12 may impose a fee if the reporting isn't accurate.

13 Q And to the best of your knowledge, is this a
14 true and accurate copy of the June 14, 2011, circular
15 letter?

16 A Yes.

17 MR. GLAUBERMAN: Your Honor, CalPERS requests
18 Exhibit 16 be admitted into evidence.

19 ADMINISTRATIVE LAW JUDGE: Is this June 14, 2011?

20 MR. GLAUBERMAN: Yes, Your Honor.

21 MR. MORRISON: No objection, Your Honor.

22 ADMINISTRATIVE LAW JUDGE: Very well. Exhibit 16
23 is in evidence.

24 (Claimant's Exhibit No. 16 was
25 received in evidence by the Administrative

1 Law Judge.)

2 MR. GLAUBERMAN: Thank you, Your Honor.

3 ADMINISTRATIVE LAW JUDGE: How much more do you
4 have, Mr. Glauberman?

5 MR. GLAUBERMAN: Not much. I'm just going to go
6 through this Exhibit 17, Your Honor, and then I believe
7 my questions for Mr. Suine will be through.

8 ADMINISTRATIVE LAW JUDGE: All right. Why don't we
9 try to finish that before we take our lunch break.

10 BY MR. GLAUBERMAN:

11 Q All right. Mr. Suine, do you recognize this
12 document?

13 For the record, I'm on page A393, 400 at the
14 total PDF, and at the bottom it says PERS 379.

15 A Yes.

16 Q What's this?

17 ADMINISTRATIVE LAW JUDGE: Is this one of your
18 exhibits?

19 MR. GLAUBERMAN: Yes, Your Honor, 17. I apologize.

20 (Claimant's Exhibit No. 17 was marked
21 for identification by the Administrative
22 Law Judge.)

23 THE WITNESS: Yes. This is, again, another
24 circular letter. This one -- looks like this went to
25 all contracting agencies, so public agencies, schools,

1 and states. And this speaks more to compensation
2 earnable, what pay rate and special compensation is, the
3 statutes that govern that, and then the purpose of
4 aligning publicly available pay schedules to the pay
5 rates and compensation earnable that's being reported by
6 our various employers.

7 ADMINISTRATIVE LAW JUDGE: I'm sorry. Tell me
8 again, "The purpose of aligning..."

9 THE WITNESS: Yes. So the law requires --

10 ADMINISTRATIVE LAW JUDGE: No. I'm trying to ask
11 you to help me recall what you said. "The purpose of
12 aligning..."

13 THE WITNESS: Okay. Of aligning the pay rates
14 being reported and the compensation earnable aligning
15 with the publicly available pay schedules that employers
16 maintain.

17 So you can't report a \$6,000 a month pay rate
18 and your salary schedule for that position says 3,000 to
19 \$5,000; right? They must line up, and we would audit
20 that if -- if it came to our attention.

21 ADMINISTRATIVE LAW JUDGE: What term do you use to
22 express what the employers do with these pay rates? Do
23 they publish them? Do they post them?

24 THE WITNESS: Yes. The law states or regulations
25 states they must be publicly available. Right? So they

1 post them to the website so that they can be -- they're
2 public information and easily accessible, more for
3 transparency purposes.

4 ADMINISTRATIVE LAW JUDGE: Thanks.

5 BY MR. GLAUBERMAN:

6 Q To the best of your knowledge, Mr. Suine, does
7 this Exhibit 17, I believe, the January 8th, 2020,
8 circular letter appear to be a true and accurate copy of
9 that circular letter?

10 A Yes.

11 MR. GLAUBERMAN: Your Honor, CalPERS requests
12 Exhibit 17 be admitted into evidence.

13 ADMINISTRATIVE LAW JUDGE: Objections?

14 MR. MORRISON: No objection.

15 ADMINISTRATIVE LAW JUDGE: 17 is in evidence.

16 (Claimant's Exhibit No. 17 was
17 received in evidence by the Administrative
18 Law Judge.)

19 MR. GLAUBERMAN: Last, Your Honor, before I rest
20 subject to cross-examination of Mr. Suine or rebuttal
21 for him, CalPERS requests exhibit -- I believe it was
22 not 14, 8 -- well, not 18 -- 19 be admitted into
23 evidence, which was the slides, if for nothing more just
24 the purpose of showing consistency and some training.

25 ADMINISTRATIVE LAW JUDGE: Did you say 19?

1 MR. GLAUBERMAN: Yes, Your Honor. Beginning on
2 A416, and it's 423 in the PDF.

3 ADMINISTRATIVE LAW JUDGE: Objections to 19?

4 MR. MORRISON: I'm going to renew my objection,
5 Your Honor. If this is being proposed for admission for
6 the purpose of showing consistency, there is no
7 indication this presentation was provided to Tustin.
8 There is no indication similar presentations were
9 provided to Tustin, and the fact that CalPERS may have
10 provided information similar to this to some other
11 district at some other time is not relevant to this
12 case.

13 ADMINISTRATIVE LAW JUDGE: I have made note that so
14 far there is no evidence that this exhibit was ever made
15 available to Tustin. The objection is overruled, and
16 Exhibit 19 is in evidence.

17 (Claimant's Exhibit No. 19 was
18 received in evidence by the Administrative
19 Law Judge.)

20 MR. GLAUBERMAN: Your Honor, I have no more
21 questions for Mr. Suine at this time.

22 ADMINISTRATIVE LAW JUDGE: All right. So let's
23 take a lunch break. It is 12:13. Will 45 minutes be
24 enough, or is there someone who needs a full hour?

25 You need a full hour?

1 THE REPORTER: Yes.

2 ADMINISTRATIVE LAW JUDGE: Okay. It's a full hour,
3 folks, thanks to Ms. Terkeurst.

4 They all thank you.

5 MR. MORRISON: If I may quickly inquire: I will
6 take it the witness is available -- I think we had some
7 discussions prior to today about witness availability.
8 I'm assuming Mr. Suine will be available after lunch for
9 cross-examination?

10 THE WITNESS: Yes.

11 ADMINISTRATIVE LAW JUDGE: Mr. Suine, I don't think
12 you said you had any other commitments today, did you?

13 THE WITNESS: Yeah. I'll make myself available.

14 ADMINISTRATIVE LAW JUDGE: Okay. Very well, sir.

15 Have a good lunch, everybody.

16 MR. MORRISON: Back at 1:15, Your Honor?

17 ADMINISTRATIVE LAW JUDGE: Yes, please.

18 MR. MORRISON: Thank you very much.

19 (A lunch recess was taken)

20 ADMINISTRATIVE LAW JUDGE: Back on the record,
21 please.

22 Good afternoon, everyone.

23 Mr. Glauberman and Mr. Morrison, I was looking
24 at this 20636.1, subdivision (b)(1), and I had a couple
25 questions about it. So there are three sentences here.

1 The first one gives a definition of pay rate for members
2 who are in a group or class, and the third sentence
3 gives a definition of pay rate for members who are not
4 in a group or class.

5 And then there is this middle sentence that
6 says, "For purposes of this part, for classified
7 members, full-time employment is 40 hours per week, and
8 payments for services rendered not to exceed 40 hours
9 per week shall be reported as compensation earnable for
10 all months of the year in which work is performed."

11 Does that -- are we concerned in this case
12 with whether we're dealing with members who are in a
13 group or class or members who are not?

14 MR. MORRISON: I don't believe we are, Your Honor.
15 This concept of an employee being in a group or class
16 comes up very infrequently. The vast majority of
17 employees are in a group or class. And the situations
18 where an employee might not be in a group or class
19 typically would involve very high-level employees who
20 probably aren't in the bargaining unit.

21 For example, there are -- I've seen it
22 argued -- I've seen both sides of the argument that a
23 school superintendent, for example, who might be in
24 CalPERS may not be in a group or class.

25 ADMINISTRATIVE LAW JUDGE: Right. I've had -- I've

1 had cases in which the respondent was not in a group or
2 class, and they were people who were highly compensated,
3 but we don't see that distinction as being an issue in
4 this case; is that right?

5 MR. MORRISON: I don't.

6 MR. GLAUBERMAN: I would agree with counsel on
7 that, Your Honor. I do not see that distinction as
8 being an issue here.

9 ADMINISTRATIVE LAW JUDGE: Okay. All right. I
10 guess that really was my question.

11 Mr. Morrison.

12 MR. MORRISON: Yes, thank you, Your Honor. We have
13 some questions for Mr. Suine. May I assume Mr. Suine is
14 still under oath?

15 ADMINISTRATIVE LAW JUDGE: Yes, of course.

16

17 CROSS-EXAMINATION

18 BY MR. MORRISON:

19 Q All right. Good afternoon, Mr. Suine.

20 A Good afternoon.

21 Q You were talking a little bit in your
22 testimony this morning about pay rate. Do you remember
23 that?

24 A Yes.

25 Q Okay. And I think it was established -- I

1 think you established that the concept of pay rate is a
2 different concept than an employee's earnings and it's a
3 different concept coming out of service credit that an
4 employee is receiving for that work; correct?

5 A Correct.

6 Q All right. So an employee working 20 hours in
7 a particular position, side by side with somebody
8 working in the same job with a 30-hour assignment, side
9 by side with somebody working 40 hours in the same
10 position, all of those employees might have the same pay
11 rate, but they would have different earnings and their
12 service credit would be different; correct?

13 A Correct.

14 Q Okay. So the concept of pay rate really is
15 independent of an employee's service credit; correct?

16 A Well, it's used to measure. Right? The
17 earnings are divided by the pay rate to get service
18 credit, so it does have a relationship because if you
19 artificially lower or increase the pay rate, then it
20 would affect the service credit.

21 Q Let me ask you, the audit that was done here
22 involved an employee whose information was sampled, and
23 there is a reference in the audit findings to a sampling
24 employee. Did you look at the particular data for that
25 sampled employee prior to your testimony here today?

1 ADMINISTRATIVE LAW JUDGE: What is that term you're
2 using, "sampling point"?

3 MR. MORRISON: A sampled employee, Your Honor.

4 ADMINISTRATIVE LAW JUDGE: I still am not
5 understanding. "Sample in point"?

6 MR. MORRISON: No. Employee.

7 ADMINISTRATIVE LAW JUDGE: So sample employee.

8 MR. MORRISON: Yes. Perhaps it would be helpful,
9 I'll ask my colleague to pull up exhibit -- district
10 Exhibit 1, and go to finding 4. There is a phrase that
11 is in the audit that I want to refer to.

12 (Respondent's Exhibit No. 1 was
13 marked for identification by the
14 Administrative Law Judge.)

15 BY MR. MORRISON:

16 Q Okay. So we are on page A11, using the red
17 numbering, and in finding 4 on the second line, it
18 refers to a sampled classified employee. Do you see
19 that, Mr. Suine?

20 A Yes.

21 Q Okay. I assume what that refers to is CalPERS
22 looking at data for a particular employee of the
23 district and making findings based on the data for that
24 employee. Are you reading it the same way?

25 A Yes.

1 Q Okay. Did you happen to look in detail at the
2 data for that specific classified employee before you
3 testified today?

4 A I -- I looked at the pay sample that was
5 provided.

6 Q Okay. Do you have any reason to believe the
7 employee that was sampled does not work a 40-hour
8 workweek?

9 A Could you repeat that?

10 Q Let me rephrase.

11 Do you know how many hours per week the
12 employee that was sampled works?

13 A Not exactly. I -- I -- in that sample, it
14 says "40 hours per week."

15 Q Okay. So from what you're seeing, you're
16 seeing some indication that the employee who was sampled
17 does work a 40-hour workweek; correct?

18 A Correct.

19 Q All right. Let me -- do you recall the name
20 of the employee who was sampled?

21 A Alane Pelleriti.

22 Q Okay. I think that's close enough. I won't
23 hold you to a spelling.

24 ADMINISTRATIVE LAW JUDGE: What is the first
25 letter? "P" or "T"?

1 MR. MORRISON: "P," and it's Alane.

2 BY MR. MORRISON:

3 Q All right. Let me switch, if I can, to
4 district Exhibit No. 7. That's the exhibit with the
5 district salary schedules. If we can, let's go to page
6 G -- I believe it would be G4. Okay. No. I'm sorry.
7 It should be G4. Okay. If we go to the top of the page
8 there.

9 All right. Mr. Suine, have you seen this
10 document before?

11 A I had glanced at the -- the exhibits.

12 Q Okay. Do you recognize this as the Tustin
13 Unified School District hourly salary schedule for the
14 '12-'13 school year?

15 A Yes.

16 Q Let's look at the next page, if we can.
17 Do you recognize this as the monthly salary
18 schedule for the Tustin Unified School District for the
19 '12-'13 school year?

20 A That's what it states, yes.

21 Q Okay. All right. And are you generally
22 familiar with school districts having separate monthly
23 and hourly salary schedules? Is that a common thing?

24 A I can't say I'm overly familiar with the
25 salary schedules.

1 Q Okay. Have you seen a school district with
2 hourly and monthly salary schedules before, or don't you
3 know?

4 A I don't know.

5 Q Okay.

6 A Yeah. I'm not --

7 Q Let's take a look if we can at -- let's pull
8 up Exhibit 15.

9 (Respondent's Exhibit No. 15 was
10 marked for identification by the
11 Administrative Law Judge.)

12 MR. MORRISON: This is the current version, Your
13 Honor, of Government Code 20636.1, and it appears to
14 have been marked as Exhibit O. It's page -- if we can
15 scroll up. It appears to be marked as O2 in the red
16 Bates-stamping.

17 BY MR. MORRISON:

18 Q All right. So I'm going to direct your
19 attention to 20636.1, subparagraph (b)(1). Do you see
20 that?

21 A Yes.

22 Q Okay. And it starts off by defining pay rate
23 as the normal monthly rate of pay. Do you see that?

24 A Yes.

25 Q Okay. Can you understand why a district might

1 think that the normal monthly rate of pay is the amount
2 that's stated in the district's monthly salary schedule?

3 A Could they think that? Potentially.

4 Q Okay.

5 A I don't -- I mean, I'm speculating that
6 they -- they could believe that. Yeah. We have
7 employers who think that, yes.

8 Q Okay. And --

9 ADMINISTRATIVE LAW JUDGE: Give me a second,
10 please. Thanks.

11 BY MR. MORRISON:

12 Q Okay. So looking at that definition, there is
13 a number of components to it. The first component is
14 what I was just mentioning, the normal -- reference to
15 the normal monthly rate of pay. There is also a
16 reference to the amount being paid in cash. Is that an
17 issue in this proceeding?

18 A Not that I believe so.

19 Q All right. And then there is a reference to
20 similarly situated members of the same group or class of
21 employment. Is that an issue in this proceeding?

22 A Not that I know of.

23 Q Okay. There is a reference to services being
24 rendered on a full-time basis. Do you have any reason
25 to believe the employee who was sampled was not working

1 40 hours per week?

2 A Only by the calculation of the full-time
3 equivalent monthly pay rate.

4 Q But in reality, she was working 40 hours a
5 week; yes?

6 A I have no idea. That's what the -- the sample
7 contract said, "40 hours per week."

8 Q Okay. You have no reason to disbelieve that;
9 correct?

10 A Again, only by the pay rate -- the monthly pay
11 rate conversion.

12 Q What I'm saying is that you have no reason to
13 disbelieve that the employee was in real life working
14 40 hours per week; correct?

15 A Not -- not that I'm aware of.

16 Q All right. And then there is a reference at
17 the end of the first sentence to publicly available pay
18 schedules. Is that an issue in this proceeding?

19 A It -- yes, I believe so.

20 Q And what is the issue involving publicly
21 available pay schedules?

22 A That the calculated full-time equivalent based
23 on the hourly rate is -- does not match the publicly
24 available pay schedule as well as the reported rate
25 doesn't match the publicly available pay schedule.

1 ADMINISTRATIVE LAW JUDGE: I'm sorry. Give me a
2 second here. Tell me again what those issues are.

3 THE WITNESS: So the -- when you convert the pay
4 rate to a full-time equivalent based on 20636.1, it
5 doesn't line up with the pay schedules, and that -- I
6 believe there was also special compensation lumped in
7 with the pay rate that doesn't align with the publicly
8 available pay schedule.

9 ADMINISTRATIVE LAW JUDGE: Can you give me an
10 example of a pay rate? Where will I find a pay rate?

11 THE WITNESS: The pay rate is the hourly rate of
12 pay or the full-time monthly equivalent, so that was
13 what we talked about before with the \$10 per hour or
14 converting it to the monthly equivalent of 1,733.33.

15 ADMINISTRATIVE LAW JUDGE: Subdivision (b)(1) of
16 20636.1, doesn't it define pay rate to mean the normal
17 monthly rate?

18 THE WITNESS: Correct.

19 ADMINISTRATIVE LAW JUDGE: So if a school district
20 has a publicly available schedule of monthly rates, why
21 isn't that the pay rate?

22 THE WITNESS: It needs to meet the -- it still
23 needs to meet the provisions of the law, Your Honor.
24 So -- right? -- we've had people inflate pay rates
25 including things that should not be included, overtime,

1 and it matches the -- it may match the pay schedule, but
2 that pay schedule is incorrect because it doesn't --
3 it's including pay that's not reportable under CalPERS.

4 ADMINISTRATIVE LAW JUDGE: When you say you've had
5 school districts reporting things as pay rate that
6 shouldn't be included, are you saying that they send in
7 a report in which they say that the pay rate is
8 different from what they've published?

9 THE WITNESS: It may be different from what's in
10 the pay schedule or it could be the same, but the
11 schedules are incorrect.

12 ADMINISTRATIVE LAW JUDGE: All right. I guess
13 someone will educate me as to how that's possible.

14 BY MR. MORRISON:

15 Q Mr. Suine, I will represent to you that the
16 employee who was sampled in this case is compensated at
17 range 36F, which is reflected on the monthly salary
18 schedule with the amount \$3,750. Do you have any reason
19 to believe the employee was not paid that exact amount
20 for each month of service?

21 A Earnings-wise, no.

22 Q So earnings-wise, you are comfortable that she
23 was paid the amount reflected on the salary schedule?

24 A I -- I would assume so, yes.

25 Q All right. And if that was the normal monthly

1 rate of pay for the employee, this \$3,750, I'm trying to
2 understand how pay rate -- well, let me ask it this way:
3 Looking at 20636.1(b)(1), it says pay rate means the
4 normal monthly rate of pay.

5 Shouldn't the normal monthly rate of pay that
6 is actually paid to the employee for full-time service
7 equal the pay rate?

8 A Not necessarily. The earnings are what is
9 actually paid to the individual.

10 Q All right. If an employee is working 40 hours
11 a week, they're working on a full-time basis, their
12 earnings and their pay rate should match; correct?

13 A That's correct.

14 Q All right. And the district here has a
15 monthly salary schedule. They paid the amount on the
16 monthly salary schedule to the employee. And your
17 contention is that monthly rate of pay at a normal
18 monthly rate of pay that is on the salary schedule, even
19 though it was paid to the employee, that's not the
20 employee's pay rate?

21 A Right. Because it's not converted based on
22 the 20636.1.

23 Q Okay. So if I understand correctly, you are
24 reading the first part of 20636.1(b)(1) to read, in
25 essence, that pay rate is the hourly rate of pay

1 multiplied by 173.33 to equal a monthly rate. That is
2 your position; correct?

3 A Correct.

4 ADMINISTRATIVE LAW JUDGE: Give me a second. Give
5 me a second.

6 THE WITNESS: And it's not just hourly. It could
7 be daily, as well.

8 ADMINISTRATIVE LAW JUDGE: Thanks.

9 BY MR. MORRISON:

10 Q All right. And where does that number 173.33
11 come from? I understand how it's calculated, but what
12 I'm asking is how is that calculation first put
13 together?

14 How is it determined that that was the number
15 that CalPERS was going to use to calculate monthly rates
16 of pay from hourly?

17 ADMINISTRATIVE LAW JUDGE: Isn't the question how
18 did CalPERS determine how that formula should be used to
19 arrive at a factor?

20 MR. MORRISON: Yes.

21 THE WITNESS: Again, this was longstanding even
22 before I was here. But, again, based on the, you know,
23 consistency across all 2 million members, you have the
24 40 hours times the 52 weeks divided by 12. I'm not
25 sure, again, what other formula you would use.

1 BY MR. MORRISON:

2 Q All right. This formula, this 173.33 formula,
3 that was in place before you joined CalPERS; correct?

4 A Correct.

5 Q All right. But it's not in 20636.1 of the
6 Government Code; correct?

7 A It's not.

8 Q And it's also not in any of the regulations
9 that applied to active school employees; correct?

10 A Not that I'm aware of.

11 Q All right. You testified this morning about
12 some presentation materials. Is the number 173.33
13 reflected in any of those materials?

14 A I can't recall. I don't know if it's on any
15 of the slides.

16 Q So not to your recollection?

17 A Yeah.

18 ADMINISTRATIVE LAW JUDGE: I'm sorry. Was there an
19 answer to that question?

20 THE WITNESS: Yes. I believe I...

21 MR. MORRISON: I'm sorry. Can we get the answer
22 read back? I didn't hear that.

23 (The record was read by the
24 reporter as follows:

25 "Q So not to your recollection?

1 A Yeah.")

2 BY MR. MORRISON:

3 Q We also talked about -- in your testimony this
4 morning, you talked about some CalPERS circulars that
5 were issued, some of which I think you drafted, and
6 those were, I think, CalPERS's Exhibits 15, 16 and 17.
7 Does the number 173.33 appear in any of those documents?

8 A I would have to go back and look. I don't
9 know if --

10 Q Let's do that if we can.

11 ADMINISTRATIVE LAW JUDGE: Are you asking the
12 witness to look at those?

13 MR. MORRISON: I'm hoping my colleague, Ms. Morenz,
14 is going to be able to pull those up.

15 BY MR. MORRISON:

16 Q So let's start with Exhibit 15, if we can.
17 And, Mr. Suine, I'll ask you to just take a look at that
18 document.

19 Now, midway -- actually, let's hold it right
20 there. Midway the large paragraph in the beginning,
21 there is a sentence that talks about work schedule
22 codes, and it uses the code 400 and the code 173.
23 That's something other than this 173.33 formula;
24 correct?

25 A It's based off of that. So in the old

1 reporting world, we -- you know, now we ask, "What is
2 the full-time workweek?" which is 40.

3 And then in the -- in the old world, we asked,
4 "If you're reporting monthly, report 173, which
5 represents the number of hours -- average hours in the
6 month, and if you're reporting hourly, report the 400 to
7 represent a 40-hour workweek."

8 Q Okay. What is indicated here is a code that
9 is being indicated that you assigned to hourly or
10 monthly pay; correct?

11 A Right.

12 Q All right. And there isn't a reference to
13 173.33; correct?

14 A I would argue the 173 is a reference to the
15 full-time hours in a month.

16 Q All right. And this document, these
17 circulars, these are not regulations, they are not
18 statutes. You would agree with that?

19 A Yes.

20 Q Okay. So they're an attempt to describe the
21 law; they are not the law?

22 A Correct. They usually mention the law.

23 Q Let's scroll down if we can.

24 ADMINISTRATIVE LAW JUDGE: So let's look at this
25 again. This Exhibit 15, it says, "The work schedule

1 code reported on CalPERS payroll file must be 400." Why
2 would it be 400 if it was reported as an hourly rate?

3 THE WITNESS: Again, Your Honor, this is talking
4 about a -- like, a file layout. It was a -- it was a
5 column on the file, and you had to -- it was truncated
6 to three digits, so you either had to report -- if you
7 were monthly, you reported 173 to represent the -- those
8 were the full-time hours in the month. And if you were
9 hourly, you put in 400. Again, it just represented a
10 40-hour workweek.

11 If the other -- if you were a 37-hour
12 workweek, you would put 370 or 375, and we would then
13 convert that hourly rate based on 37 1/2 hours per week.

14 BY MR. MORRISON:

15 Q But this is --

16 ADMINISTRATIVE LAW JUDGE: So the 400 means 40; is
17 that right?

18 THE WITNESS: 40 hours per week, yes, because it's
19 related to a monthly reporting -- sorry, an hourly
20 reporting as opposed to monthly.

21 BY MR. MORRISON:

22 Q So this is a code that employers would enter
23 in connection with hourly rates of pay, this 400;
24 correct?

25 A Correct.

1 Q All right. And the 173 is the code they would
2 enter as monthly rates of pay; correct?

3 A Correct.

4 Q That just sends them to the right place in the
5 CalPERS system; correct?

6 A It tells us how to convert the monthly pay
7 rate.

8 Q Okay. Let's scroll down.

9 Actually, at the bottom -- sorry -- bottom of
10 the first page, there is a pretty detailed explanation
11 of reporting of hours, but there is no explanation of
12 this 173.33 formula; correct?

13 A That's correct.

14 Q As we scroll through the rest of the document,
15 I -- I take it you agree that there is no explanation of
16 this 173.33 formula anywhere in the document; correct?

17 A Correct.

18 Q All right. Going to Exhibit 16 -- actually --
19 well, let me see here. I think we are in Exhibit 16.
20 I've got the same question.

21 You agree this document does not reference the
22 173.33 formula; correct?

23 A That's correct.

24 Q All right. And now that you've seen these,
25 would you agree that there are no CalPERS circulars that

1 reference the 173.33 formula as applied to school
2 employees?

3 A I can't -- I can't make that statement. I
4 mean, we've issued thousands of circular letters, so...

5 Q If there was one, you would have had it with
6 you today for purposes of this hearing; correct?

7 A I don't know if I would have.

8 Q All right. Let's look at the next exhibit, if
9 we can -- the next document. Sorry. The next circular,
10 the one we are looking at right now, which is the -- I
11 think the red Bates-stamping on that looks like it's
12 A393. It's a circular that appears to have been issued
13 in 2020, January 8, 2020.

14 Can we agree this document also does not refer
15 to the 173.33 formula?

16 ADMINISTRATIVE LAW JUDGE: This is Exhibit 17.

17 THE WITNESS: Yes. Correct.

18 BY MR. MORRISON:

19 Q All right. Just to be clear, the circulars
20 that you spoke about this morning, can we agree that the
21 173.33 formula is not discussed or explained in any of
22 them; yes?

23 A Right. It's derived from the 40 hours a week.

24 Q Okay. And you indicated that it was
25 derived -- this formula was being used before you

1 arrived at CalPERS. Do you have any idea when this
2 formula was first -- was first put in use?

3 A I -- no idea. I'm sure back in -- when we
4 started back in the 1930's and '40s.

5 Q Okay. So this is a rule that has been
6 employed for a long time; correct?

7 A Yes.

8 Q All right. But it's not reflected in a
9 statute, and it's not reflected in a regulation;
10 correct?

11 A Yeah. It is in some other statutes related to
12 working after retirement. It's not in this particular
13 statute.

14 Q Okay. All right. Do you know if CalPERS ever
15 communicated this 173.33 formula to Tustin Unified?

16 A Not specifically.

17 Q All right. Do you know if this 173.33 formula
18 was ever communicated by CalPERS to the Orange County
19 Department of Education?

20 A I can guarantee that in my...

21 Q Guarantee what?

22 A I work closely with Orange County Office of
23 Education and other school districts on, you know,
24 proper reporting. So I...

25 ADMINISTRATIVE LAW JUDGE: So are you saying that

1 you can guarantee that the 174.33 was communicated to
2 the --

3 THE WITNESS: Right. And I've referenced 173.33 in
4 presentations, in, you know, discussions, trainings.

5 BY MR. MORRISON:

6 Q All right. Do you have an example of that
7 formula being communicated to Orange County Department
8 of Education?

9 A I would have to go back and look through all
10 my old presentation materials.

11 Q All right. This 173.33 formula, it's based on
12 an assumed 52-week year; correct?

13 A Correct.

14 Q All right. And can we agree that most years
15 are not -- well, can we agree that the calendar is not
16 limited to just 52 weeks? 52 weeks plus one day or two
17 days depending on the year; correct? Yes?

18 A Yes. Yes.

19 Q All right. And so if you were looking for a
20 formula to represent the number of workdays in a year,
21 it would actually be more accurate to go with 261 or
22 possibly 262 instead of 260; agreed?

23 A Correct.

24 Q All right. So the formula that we've got, the
25 formula that you've been describing, this 173.33 formula

1 is based on an assumption 260 workdays that doesn't
2 correspond to the actual calendar and is less accurate
3 than a calculation that's based on the number of days in
4 a given year; correct?

5 A It's rounded to account for the -- the
6 average.

7 Q All right. But 260 -- the assumption of 260
8 workdays is less accurate -- which is what the formula
9 is based on -- is less accurate than if we went with 261
10 or 262; yes?

11 A Well, it would be different. I don't know if
12 it's more accurate or less accurate. I mean --

13 Q If we can pull up district Exhibit 7.
14 Actually, hold on. Hold on. That is not the one I
15 want. Sorry. District Exhibit 25. Let's start with --

16 ADMINISTRATIVE LAW JUDGE: Give me a second,
17 please.

18 MR. MORRISON: Sure.

19 (Respondent's Exhibit No. 25 was
20 marked for identification by the
21 Administrative Law Judge.)

22 ADMINISTRATIVE LAW JUDGE: The CaseLines exhibit
23 index went crazy. Oh, here it is. It's at the very end
24 of Y. All right. Go ahead, please.

25 ///

1 BY MR. MORRISON:

2 Q So, Mr. Suine, I'm showing you the -- if we
3 can just scroll. I want to make sure I've got the
4 correct Bates-stamped number. It's page Y2, I think, on
5 the CaseLines. All right. I'll represent this is a
6 calendar for the 2012 calendar year.

7 Just taking a look at this, it's got the weeks
8 marked on the left. There are 52 weeks plus a day, and
9 so if we're counting the potential workdays, we have 261
10 instead of 260; correct?

11 A Okay. I will take your word for it.

12 Q All right. But the CalPERS formula, this
13 173.33, it assumes 260 days in the year; yes?

14 A Yes.

15 Q Do you know how the decision was made to go
16 with 260 instead of 261?

17 A I do not know.

18 Q Okay. That would be a judgment call that
19 would have been made at some point in time; yes?

20 A Yes.

21 Q Okay. Do you know how that judgment call was
22 made or who made it?

23 A I do not know.

24 Q Okay. That's just sort of been passed down as
25 received wisdom; yes?

1 A Sure. It's, again, business rules that have
2 been throughout the system.

3 Q Okay. Let's pull up, if we can, district
4 Exhibit 18.

5 (Respondent's Exhibit No. 18 was
6 marked for identification by the
7 Administrative Law Judge.)

8 BY MR. MORRISON:

9 Q Let's turn to page R2. Do you recognize this
10 document?

11 A It looks like our regulation.

12 Q Would you agree, this is a regulation that
13 applies to employees in the State Department of Human
14 Resources; correct?

15 A I'm not familiar with this. So I -- you
16 mentioned Department of the Human Resources. I don't --

17 Q Well, if you take a look toward the -- there
18 is a box at the top. It's --

19 A I see it.

20 Q -- identifying we are in Chapter 3 of Division
21 1 of Title 2 of the California Code of Regulations --

22 A Yes.

23 Q -- it seems, to the Department of Human
24 Resources. Do you see that?

25 A Yes, I do now.

1 Q There is a reference in the first line of the
2 regulation. There is the word "Department," which is
3 capitalized. Do you see that?

4 A Yes.

5 Q Okay. Is it accurate to say that -- now that
6 you've reviewed that, would it be accurate to describe
7 this as a regulation that applies to employees in the
8 State Department of Human Resources?

9 MR. GLAUBERMAN: I'm going to object, Your Honor.
10 This calls for a legal conclusion. We can take official
11 notice of these documents, but I don't know if it's
12 within the scope of what this witness is here to testify
13 about.

14 MR. MORRISON: The witness has been testifying to
15 CalSTRS's understanding -- I'm sorry -- CalPERS's
16 understanding of 20636.1 which applies to school
17 employers, but he has also indicated there are a large
18 number of employees who are not school employers. What
19 I'm interested in is establishing that this regulation
20 does not apply to school employers.

21 ADMINISTRATIVE LAW JUDGE: Excuse me, Mr. Morrison.
22 When I need your argument, I'll ask for it. I want to
23 read this.

24 MR. MORRISON: My apologies, Your Honor.

25 ADMINISTRATIVE LAW JUDGE: All right. I will take

1 official notice of the fact that this regulation applies
2 to employees of the Department of Human Resources.

3 BY MR. MORRISON:

4 Q All right. Mr. Suine, you would agree this
5 regulation is not applicable to school employers;
6 correct?

7 MR. GLAUBERMAN: Again, it calls for a legal
8 conclusion.

9 THE WITNESS: I'm not aware.

10 ADMINISTRATIVE LAW JUDGE: No. I'm sorry,
11 Mr. Suine.

12 THE WITNESS: Sorry.

13 ADMINISTRATIVE LAW JUDGE: When there is an
14 objection, please don't answer until the objection is
15 resolved.

16 THE WITNESS: Sorry, Your Honor.

17 ADMINISTRATIVE LAW JUDGE: You know, I take
18 official notice that this is not directed to school
19 employees, it concerns employees of the Department of
20 Human Resources.

21 BY MR. MORRISON:

22 Q So my general question, then, Mr. Suine, would
23 be there are examples like the one we are looking at
24 right now of statutes and regulations that do refer to
25 the 173.33 formula, but you would agree that there is

1 nothing specifically applicable to school employers that
2 includes that 173.33 formula; correct?

3 ADMINISTRATIVE LAW JUDGE: He's already testified
4 to that. He said there is no statute and no regulation.

5 MR. MORRISON: All right.

6 BY MR. MORRISON:

7 Q How would the 173.33 formula be applied if the
8 school district only had a monthly salary schedule and
9 did not have an hourly salary schedule?

10 A How would it be applied?

11 Q Or would it be applied?

12 A Yeah. The 173.33 would -- it's derived from
13 the monthly/hourly equivalent.

14 Q So, for example, what if Tustin Unified did
15 not have an hourly salary schedule? What if all they
16 had was the monthly salary schedule? Would you have any
17 reason to apply that 173.33 formula?

18 A No. It would only be discovered through an
19 audit of, you know, detailed payroll records.

20 Q But I guess what I'm asking is if you did
21 discover that, if you realized the district only had a
22 monthly salary schedule and no hourly salary schedule,
23 would you take the numbers in the monthly salary
24 schedule as pay rate, or would you have some reason to
25 start to kind of crunch numbers and use the 173.33

1 formula or some other formula?

2 A Only if something came to our attention that
3 the employee wasn't -- that that wasn't representing
4 40 hours a week.

5 Q All right. So if Tustin Unified had only a
6 monthly salary schedule and no hourly salary schedule,
7 can we agree that the amount the district reported for
8 the sampled employee would have been treated by CalPERS
9 as pay rate? There would have been no changes to it?

10 A Again, except upon further review during --
11 through an audit. But, yes, on a typical basis, we
12 don't -- if you report a \$4,000 monthly pay rate and
13 \$4,000 of earnings, we have no way of telling that;
14 although, on the -- on the payroll report, there is a
15 requirement of the number of hours of the full-time
16 equivalent.

17 So if we noticed 4,000 and 4,000 and a
18 37-1/2-hour workweek, that would draw our attention that
19 that pay rate may be underreported for a school
20 employer.

21 Q All right. Here, the sampled employee was
22 paid on the monthly salary schedule, and the district --
23 she works on a full-time basis 40 hours a week, and the
24 district reported that amount as her pay rate, and let's
25 assume all of that.

1 My question for you is if there was no hourly
2 salary schedule, would CalPERS have accepted that as the
3 employee's pay rate?

4 A Yes.

5 Q All right. But because there is an hourly
6 salary schedule in addition to the monthly salary
7 schedule, your contention is that the amount on the
8 monthly salary schedule no longer reflects a pay rate;
9 correct?

10 A Again, through the audit review, yes. And,
11 again, that could be found even without the hourly pay
12 rate salary schedule.

13 Q You've been talking about a -- your formula
14 requires a relationship of 173.33 between hourly and
15 monthly pay rates, and the audit indicates that the
16 monthly pay rate is too low, it needs to be increased.

17 Why would you not require, instead, that the
18 hourly pay rate be decreased? If you want to maintain a
19 ratio, why move the hourly amount up instead of --
20 sorry -- why move the monthly amount up instead of
21 moving the hourly amount down?

22 A Could you run through that again?

23 Q Yes. Your formula, this 173.33 factor,
24 assumes that whatever the hourly rate is, the monthly
25 rate will be exactly 173.33 times higher; correct?

1 A Correct.

2 Q All right. So what the auditors do in this
3 case is take the district's hourly salary schedule and
4 multiply it by 173.33 to come up with what they believe
5 should be reported as the monthly pay rate; correct?

6 A Correct.

7 Q All right. My question for you is why would
8 they not, or why could you not, take the monthly pay
9 rate using this formula and divide by 173.33 to equal an
10 hourly rate?

11 A Yeah. You could do that if that was the
12 negotiated hourly rate for the employee. Typically, we
13 wouldn't tell you to lower the rate because the hourly
14 rate is typically the negotiated rate and the full-time
15 equivalent is specified by 40 hours per week, and so
16 those didn't jive, which is therefore why the increase
17 was requested.

18 Q Although, the monthly amount the district paid
19 and reported as pay rate, that was also negotiated;
20 correct?

21 A It may not have been negotiated. It wasn't
22 negotiated on 40 hours per week or 215 hours -- 215 days
23 a year.

24 Q My question for you, though, is if there must
25 be a precise relationship between hourly and monthly pay

1 rates, and the relationship is 173.33, why are you
2 taking the hourly rate as fixed and requiring the
3 monthly rate to be increased?

4 Why could you not take the monthly rate,
5 consider that to be fixed and decrease the hourly rate?
6 Would that be an option?

7 A Yes. I mean, we often work with employers to
8 resolve these audit findings, and if that was a feasible
9 or proper resolution, then we would work with the
10 employer on that.

11 Q And so if the district had decided to do that,
12 to keep the monthly rate fixed and reduce the hourly
13 rate, then the sampled employee's pay rate, according to
14 CalPERS, would have been accurate?

15 A Yes, I would assume so. I've never seen that
16 happen, but...

17 MR. MORRISON: Your Honor, could we go off the
18 record for ten minutes?

19 ADMINISTRATIVE LAW JUDGE: I beg your pardon?

20 MR. MORRISON: Can we go off the record for about
21 five minutes?

22 ADMINISTRATIVE LAW JUDGE: You want to be in
23 recess?

24 MR. MORRISON: Yes, if we can. I'm pretty close to
25 wrapping up. I just want to organize a few things

1 before wrapping up with this witness.

2 ADMINISTRATIVE LAW JUDGE: Yes. We'll be in recess
3 for five minutes.

4 MR. MORRISON: Thank you.

5 (A recess was taken)

6 ADMINISTRATIVE LAW JUDGE: Do we know whether these
7 pay rates were negotiated with unions? Are we just
8 assuming that they were or we don't know? What?

9 MR. MORRISON: I will represent, Your Honor, that
10 the district does have employee unions and that all
11 of -- well, certainly the pay rates we are looking at
12 here are collectively bargained. There are some
13 high-level school employees that are -- you know,
14 confidential school employees that would not be in a
15 collective bargaining unit.

16 But the vast majority of employees, teachers,
17 and the vast majority of classified employees are in
18 bargaining units and the salary schedules are
19 collectively bargained.

20 ADMINISTRATIVE LAW JUDGE: All right.
21 Mr. Glauberman, redirect?

22 MR. GLAUBERMAN: Your Honor, I don't have any
23 questions for Mr. Suine.

24 ADMINISTRATIVE LAW JUDGE: All right. Is there any
25 reason that Mr. Suine should not be released?

1 MR. GLAUBERMAN: I don't believe so.

2 ADMINISTRATIVE LAW JUDGE: Mr. Morrison?

3 MR. MORRISON: I'm not aware of any reason, Your
4 Honor.

5 ADMINISTRATIVE LAW JUDGE: Very well.

6 Mr. Suine, you are released, sir. You're
7 welcome to sign off. You're also welcome to a stay and
8 observe if you prefer to do that.

9 THE WITNESS: Thank you. I'll sign off.

10 ADMINISTRATIVE LAW JUDGE: Thank you very much.

11 THE WITNESS: Appreciate it.

12 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

13 MR. GLAUBERMAN: Thank you, Your Honor. I'm going
14 to call Sam Camacho as our next witness for CalPERS.
15 He's not in the room, so I'm going to have to -- Kevin
16 is going to go get him for me. Give me one second.

17 Your Honor, he's going to be logging in from
18 his laptop, so I think maybe a couple of minutes while
19 we're waiting for that to happen.

20 ADMINISTRATIVE LAW JUDGE: That's fine. Take your
21 time.

22 So I assume that PERS has the burden of proof
23 in this matter; is that correct, Mr. Glauberman?

24 I understand the burden of coming forth with
25 evidence shifts back and forth according to what has

1 been presented, but the burden of proof, it looks to me,
2 as though it was PERS.

3 MR. GLAUBERMAN: That's an interesting question. I
4 mean, I'm always going to try and say that the burden is
5 on the opposition, Your Honor. I understand that we're
6 trying to tell them, though, that they've been doing
7 something wrong, that something is in error, and we're
8 trying to correct that.

9 So I understand the position under 20160 that
10 we can be seen as trying to correct the mistake here. I
11 would be happy to -- not, you know, too extensive
12 briefing on the issue, but...

13 ADMINISTRATIVE LAW JUDGE: You're welcome if you
14 want.

15 MR. GLAUBERMAN: Okay.

16 ADMINISTRATIVE LAW JUDGE: My -- my thought at the
17 moment is that the burden of proof probably is on PERS.

18 MR. GLAUBERMAN: Okay.

19 ADMINISTRATIVE LAW JUDGE: And is there -- is there
20 anything that suggests that the standard of proof is
21 other than a preponderance of the evidence?

22 MR. GLAUBERMAN: I don't believe so. I'm not aware
23 of anything.

24 ADMINISTRATIVE LAW JUDGE: Okay. Do we have video?
25 Okay.

1 MR. GLAUBERMAN: I believe Mr. Camacho is on.

2 ADMINISTRATIVE LAW JUDGE: Hello, Mr. Camacho. I'm
3 Judge Walker.

4 THE WITNESS: Hi, Your Honor. How are you doing?

5 ADMINISTRATIVE LAW JUDGE: Doing well. And you,
6 sir?

7 THE WITNESS: Good, thanks.

8 ADMINISTRATIVE LAW JUDGE: So, Mr. Glauberman, when
9 we get to the end of the hearing, if you want to submit
10 a brief on anything, be sure to remind me of it.

11 MR. GLAUBERMAN: I will do so.

12 ADMINISTRATIVE LAW JUDGE: Mr. Camacho, I'm going
13 to ask you to take an oath, sir.

14
15 SAMUEL CAMACHO
16 called as a witness on behalf of the Claimant, having
17 first been duly sworn by the Administrative Law Judge,
18 was examined and testified as follows:

19 THE WITNESS: I do.

20 ADMINISTRATIVE LAW JUDGE: Would you state your
21 name and spell it for the record, please.

22 THE WITNESS: First name is Samuel, S-A-M-U-E-L.
23 Last name is Camacho, C-A-M-A-C-H-O.

24 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

25 MR. GLAUBERMAN: Thank you, Your Honor.

DIRECT EXAMINATION

BY MR. GLAUBERMAN:

Q Mr. Camacho, where do you work?

A I work at CalPERS, since 2006.

Q And --

ADMINISTRATIVE LAW JUDGE: Since when?

THE WITNESS: 2006.

MR. GLAUBERMAN: Can everybody hear him all right?

MR. MORRISON: It's a little scratchy, but I can hear him.

THE WITNESS: Do you want me to use my microphone?

I'll try speaking up a little bit. Is that better?

ADMINISTRATIVE LAW JUDGE: Yes. Thank you.

BY MR. GLAUBERMAN:

Q Okay. You said you've been in CalPERS since 2006. What's your current position?

A Currently, one of the senior analysts at CalPERS working in our MOU and pay schedule review unit, also worked -- work in the audit compliance resolution unit.

Q So do you currently work in the audit compliance resolution unit?

A I'm currently -- I just finished, actually, working in that unit. I finished resolving some of the

1 last assigned audits. So now I'm focused primarily on
2 agency MOU labor agreement reviews and pay schedule
3 reviews for compliance.

4 Q When or how long did you work in the audit
5 compliance and review unit with CalPERS?

6 A Let me -- I believe I've worked in the
7 compensation review unit since 2011, and then I -- and
8 the audit compliance team or unit was part of that unit
9 or that group or section, I should say, so -- but
10 primarily focused on audit resolutions. That was about
11 since 2014, I believe, somewhere around there, 2015.

12 Q Okay. So what were your general duties in the
13 audit compliance and review unit?

14 A Primarily, I was the lead analyst. Whenever a
15 final audit was published by our board or by the Office
16 of Audit Services, I was then assigned specific audits
17 or agencies in order to be the lead contact or liaison
18 with CalPERS in our division in order to resolve any of
19 the -- any and all of the audit observations that were
20 outlined in the final report.

21 Q So did you participate in the actual
22 conducting of the audit during the investigation?

23 A No.

24 Q Do you see any of the findings, in your
25 previous experience, prior to the final report being

1 issued?

2 A We get -- there is a draft report of the -- of
3 the audit that comes out a few months before the final
4 report. It varies. Sometimes it could be six months or
5 a few months before the actual final report is
6 published, but there is a draft that comes out that the
7 auditors share with our area so that we have an idea of
8 what is coming and some of the issues that have been
9 outlined in the draft.

10 Q Are you familiar with the audit of Tustin USD
11 by CalPERS that is at issue in this proceeding?

12 A Yes.

13 Q Did you participate in the audit resolution
14 process of this matter?

15 A I did.

16 Q And what was your role in that process?

17 A Again, I was the lead analyst for this
18 specific agency when it was -- I believe the report was
19 published in December of 2018. So around that time, or
20 a little bit before that, I was already aware of the --
21 you know, some of the issues that were going to be
22 outlined in the report.

23 So it was -- I was assigned as the lead
24 analyst in order to make contact with the agency,
25 discuss any of the observations. If there were

1 questions, help develop a resolution for all of the
2 observations in the final report, and work directly with
3 the agency being a resource to assist in any way we can
4 in order to ensure the compliance is met and we're able
5 to resolve the observations that were outlined in the
6 report.

7 Q Okay. Have you reviewed the audit report
8 prior to coming to the hearing today?

9 A Yeah, I reviewed it several times.

10 Q Okay. So you're familiar with it?

11 A Yes.

12 Q Okay. I'm going to share my screen.

13 MR. GLAUBERMAN: And for the record, I'm going to
14 be looking at CalPERS's Exhibit 3, which is A35, and the
15 actual audit report begins on A36, which is page 43 of
16 the PDF. Just a second while I share that.

17 (Claimant's Exhibit No. 3 was marked
18 for identification by the Administrative
19 Law Judge.)

20 BY MR. GLAUBERMAN:

21 Q Do you recognize this document, Sam -- sorry
22 about that -- Mr. Camacho?

23 A Let's see here. July 2018, yes.

24 Q Okay. Just reading this first page, we are
25 looking at the first page, what is this?

1 A This looks like the letter that comes from our
2 Office of Audit Services. It's the draft letter, and
3 then I think it's -- it will also include the report to
4 go along with it.

5 Q Okay. So the first page, it comes -- doesn't
6 come from your division, then, within CalPERS when the
7 draft report comes up?

8 A No.

9 Q Okay. But to the best of your recollection,
10 this letter, at least, looks like it is a true and
11 accurate copy of the initial letter from CalPERS?

12 A Yes.

13 Q Okay. And then down on the next page, A37,
14 which is 44 in the PDF, do you recognize what the first
15 page is?

16 A Yes.

17 Q What is this?

18 A It's the first page of the report for Tustin
19 Unified School District, and it has -- there is a job
20 number, you know, the contract date of the agency. And
21 then it also goes into some other information about the
22 scope of the audit, some of the pertinent statutes and
23 regulations that apply for what's going to be outlined
24 in the brief in the report.

25 Q Okay. So this description of the audit and

1 the preliminary findings get attached to the -- that
2 initial cover letter that was the immediately preceding
3 page?

4 A Yes.

5 Q Okay. So generally speaking, in your own
6 words, what was this audit of Tustin Unified School
7 District about?

8 A So the scope of the audits during this time, I
9 think, were the auditors were looking at pay rates,
10 specifically pay rates reported in our system -- in the
11 CalPERS system from these agencies.

12 So with Tustin, I think there were about six
13 observations that were in the final report, and all of
14 them had to do specifically with different issues with
15 the pay rate that were reported in the system. For
16 example, one of the observations was longevity was
17 included in pay rate and earnings. That was one of the
18 observations.

19 The other observation, obviously, for this
20 case in this hearing was that the monthly equivalent
21 appropriate pay rates -- full-time equivalent pay rates
22 were not reported. So -- and there was among -- I think
23 there was also a pay schedule issue that we resolved as
24 well.

25 Q So I'm going to stop you right there. You say

1 CalPERS looking at pay rates. What does CalPERS, if you
2 know, generally look at when conducting an audit like
3 this of an agency's pay rate?

4 A So we look at -- so our area is tasked to
5 ensure compliant and accurate reporting, our division,
6 specifically our unit. So when we are looking at pay
7 rate, we look at the regulations and statutes that
8 govern how a pay rate is defined, which is in a couple
9 of the statutes, 20636.1, pay schedules regulations
10 570.5.

11 So we are looking at, you know, data also that
12 is reported by the agency, the pay rates, specifically,
13 and earnings and special compensation, so we then use
14 our statutes and regulations to make sure that there is
15 compliance achieved.

16 Q Okay. So with this audit that was conducted,
17 the preliminary report -- now I'm on page A38, which is
18 page 45 of the PDF, and I think more or less in the
19 middle of the page there, there's the finding for. Is
20 that the finding that is the subject of this subject
21 audit?

22 A Yes.

23 Q Not audit, but of this hearing, more or less?

24 A That's correct, yes.

25 Q Okay. So this is where CalPERS indicates that

1 it's CalPERS's position that the reporting wasn't based
2 on the 40-hour equivalent?

3 A That's correct.

4 Q Okay. Do you know what CalPERS reviewed to
5 reach that conclusion?

6 A There were several documents we reviewed. We
7 looked at the agency's pay schedules. I think we went
8 back as far as, like, 2012 looking at all these
9 classified -- specifically, either classified hourly and
10 monthly pay schedules. We also looked at other
11 documents, like personnel action forms or data that was
12 provided by the agency to the auditors, which was then
13 shared with us.

14 We -- obviously, we take into account, you
15 know, how we govern and administer, you know, the
16 compliance part of pay rates, which has obviously taken
17 into account the pertinent statutes and regulations that
18 we need to apply when making our, you know, resolutions
19 or determinations.

20 Q Okay. Does CalPERS allow agencies a chance to
21 respond to audit findings, or does CalPERS just, you
22 know, say, "This is what we found and comply or else"?

23 A No. I think there's a fair enough or
24 appropriate time for the agency to respond, and I
25 believe there was a -- for each draft report that goes

1 out -- I think in July of 2018, it went out -- there was
2 a response by the agency, I think, that I reviewed as
3 well as part of taking over this resolution of this
4 audit.

5 Q Okay. Does CalPERS tend to consider the
6 responses that are provided by the agencies?

7 A Definitely, yes.

8 Q Okay. So I scrolled down to page A41, and
9 it's 48 in the PDF, and there's some names on the
10 left-hand side. But it looks like on the right-hand
11 side are these, like, descriptions, the audit findings.

12 A These are -- this is what we call a
13 confidential list. It's basically a sample list of
14 employees -- specific employees for this agency, and it
15 has some information. Like, the dates on here are --
16 whether they're active or retired, it's shown on the
17 left.

18 Then we have the pay period date also in here,
19 and then we have the data or the pay rates and other
20 compensation that's reported. It's outlined in this
21 confidential list, specifically for those sampled
22 members. It was provided by our -- the auditors in the
23 final report.

24 Q Okay. So I'm just looking at -- I'm
25 highlighting it. Let's see if I can get a better

1 highlight. But right here, it says "August 31, 2012,"
2 and there is a number 3915 and some text to the right.
3 Do you see that?

4 A Yes.

5 Q So it says your agency reported a monthly pay
6 rate of 4,002. Where does CalPERS get that information?

7 A We got that from our system, myCalPERS system.
8 This is information or data that was reported by the
9 agency or by the -- I think the Orange County schools
10 report for this agency, so that's where the data comes
11 from.

12 Q Okay. And so part of this finding for
13 observation 4 is -- 4,002 included longevity pay of
14 \$207. Do you see that?

15 A Yes.

16 Q Is it from CalPERS's perspective, is it not
17 appropriate to include the longevity pay with the pay
18 rate that's reported?

19 A That's correct. Part of the statute and
20 regulation pay rate is defined specifically, and then
21 special compensations are defined separately.

22 And there's also requirements in the
23 regulation in order for the pay rate and special
24 compensation to be separated when reported to the system
25 so that it's more efficient to ensure compliance and

1 accurate reporting when it comes under the review by
2 CalPERS, and ultimately, you know, to ensure the
3 retirement benefit calculations are appropriate and
4 compliant and correct.

5 So in this case, there is a discovery by the
6 auditors looking at the information reported in the
7 system which is the 4,002 pay rate. We found that in
8 our system, but they also found that in the -- also
9 reviewing the documents from the agency side that there
10 was longevity pay included in that reported amount.

11 So it was pretty easy and simple to identify,
12 you know, the discrepancy there. And so one of the
13 other observations that we did actually resolve with the
14 agency is to separate special compensation from base pay
15 rates.

16 Q Just for clarity on the record, can you
17 explain what special compensation is?

18 A Yeah. So special compensation is essentially
19 any additional compensation on top of your base salary
20 or pay rate, and there are a specific list of items that
21 are reportable under California regulation 571 and
22 571.1.

23 There's about -- like, 105 items that are
24 specifically defined which would -- which can, if paid
25 by an agency to their employees, would be reportable as

1 special compensation in the system, which is in addition
2 to their normal base pay rate or their normal earnings.

3 And a lot of times, it's a huge benefit for
4 members to be paid this additional special compensation
5 because it ultimately, you know, enhances their
6 retirement calculation benefit at retirement. But it
7 does have to meet the definitions specifically in the
8 regulation, and there is also a list of specific
9 requirements in order for the additional special
10 compensation to be reported in the system.

11 Q Okay. But the reporting of the special comp
12 isn't really an issue for this unresolved audit finding?

13 A Not this issue, no. Not observation 4, which
14 is the one we were more focused on here today.

15 Q Okay. I'm going to stop you right there.

16 A Correct.

17 Q It looks like observation 4 is in all three of
18 these boxes next to this member's name. And that's more
19 or less the reason I believe why we are here. But this,
20 to the best of your knowledge, looks like a true and
21 accurate copy of the draft audit report for Tustin USD
22 that CalPERS issued in 2018?

23 A Yes.

24 Q And I'm just scrolling down, but to the best
25 of your knowledge, does this appear to be an accurate

1 copy of the draft audit report?

2 A Yes.

3 Q Okay. And this is an unclear copy, but I'm
4 going to look at it in more detail here in a second.

5 Can you just explain what I'm looking at right
6 now, this page 54 in the PDF A47 of CalPERS's exhibit --
7 in Exhibit 3?

8 A I think this is a screenshot of some sort that
9 was provided from the agency to the auditors, or the
10 auditors discovered it themselves. I'm not sure exactly
11 how the auditors obtained it. But it was part of the
12 draft report and part of the -- you know, the working
13 documents for this audit.

14 MR. GLAUBERMAN: Okay. Your Honor, CalPERS
15 requests Exhibit 3 be introduced into evidence.

16 ADMINISTRATIVE LAW JUDGE: All right. Objections
17 to 3?

18 MR. MORRISON: No objection, Your Honor.

19 ADMINISTRATIVE LAW JUDGE: Exhibit 3 is in
20 evidence.

21 (Claimant's Exhibit No. 3 was
22 received in evidence by the Administrative
23 Law Judge.)

24 MR. GLAUBERMAN: Thank you, Your Honor.

25 ADMINISTRATIVE LAW JUDGE: Could we go back to that

1 No. 4. Exhibit 3 starts at A35; right?

2 MR. GLAUBERMAN: Yes, Your Honor.

3 ADMINISTRATIVE LAW JUDGE: Could we go back to that
4 No. 4. Yeah.

5 MR. GLAUBERMAN: Okay.

6 ADMINISTRATIVE LAW JUDGE: So this is -- I'm not
7 seeing the No. 4 that we -- that you discussed.

8 MR. GLAUBERMAN: Which page were you looking at?
9 Is this the one, Your Honor?

10 ADMINISTRATIVE LAW JUDGE: A41, yeah, there you go.
11 That's the one we were concerned with, Alane Pelleriti.

12 So the agency reported a pay rate of \$4,002.
13 That included 207 as longevity, so you would back out
14 the 207; is that right?

15 THE WITNESS: Yes. In order to separate the
16 longevity in that case from the pay rate, you would -- I
17 think it was a flat dollar amount according to the
18 documentation from the agency. It was a flat \$207, and
19 the actual base salary for that 4,002 was -- I think it
20 was \$3,750, I believe. And then the --

21 ADMINISTRATIVE LAW JUDGE: If you back out the 207,
22 you get 3,795.

23 THE WITNESS: There you go, thank you.

24 ADMINISTRATIVE LAW JUDGE: But then the last
25 sentence tells me that even the 3,795 was not correct

1 because the monthly pay rate should have been 4,033.10.
2 And where does that number come from? Was that directly
3 from the pay schedules, or was that -- was that the
4 product of multiplying the monthly -- or the daily rate
5 by 173.33? Where do we get the 4,033.10?

6 THE WITNESS: Right. And so the 3,915.60 or the
7 4,033.10 amount, that did -- it does derive from the
8 calculations for the full-time equivalent at
9 173.333 hours for -- for full-time monthly equivalent or
10 monthly pay rate as noted in there.

11 ADMINISTRATIVE LAW JUDGE: Is that the number we've
12 seen before? I can't remember. 4,033?

13 THE WITNESS: That one is part of the pay period
14 for August 2013 and February --

15 ADMINISTRATIVE LAW JUDGE: I was asking the
16 attorneys.

17 THE WITNESS: Oh, sorry. I apologize.

18 ADMINISTRATIVE LAW JUDGE: No. I didn't make that
19 clear.

20 Is that the number we've seen before?

21 MR. GLAUBERMAN: No. It's part of the audit, so we
22 haven't looked at that yet for this hearing, Your Honor.
23 It's -- I think it's numbers we're going to get into,
24 but there are three separate years, so three different
25 pay earnings or pay rates that have been provided to the

1 sampled employee.

2 And it's my understanding -- and the witness
3 can speak more to this -- but what CalPERS believes, as
4 indicated in the audit, should have been the -- should
5 have been the monthly pay rate is -- the same
6 calculation was employed to reach those numbers. It was
7 just a different amount there we were starting with.

8 ADMINISTRATIVE LAW JUDGE: So remind me of what the
9 figures were in 33F.

10 MR. GLAUBERMAN: 33F?

11 ADMINISTRATIVE LAW JUDGE: So it was 3,795 per
12 month; right?

13 MR. GLAUBERMAN: Yes. Oh.

14 ADMINISTRATIVE LAW JUDGE: And for the daily, it
15 was...

16 MR. GLAUBERMAN: I'm trying to bring up the pay
17 schedules just so we can be on the same page here.

18 ADMINISTRATIVE LAW JUDGE: Yes. Yes. Yes.

19 MR. GLAUBERMAN: So we have the 2012-'13 where the
20 daily, I believe, was 22.58.

21 ADMINISTRATIVE LAW JUDGE: Right. And that gets
22 us -- if we use CalPERS's 173.3333, that gets us to
23 3,915, and the district reported 3,795 as the monthly,
24 so I still don't know where that figure comes up --
25 comes from that we see in No. 4, page A41.

1 BY MR. GLAUBERMAN:

2 Q Mr. Camacho, are you able to explain where³
that 3,915 --

4 MR. GLAUBERMAN: Is that what you're looking for,
5 Your Honor?

6 ADMINISTRATIVE LAW JUDGE: Oh, I beg your pardon.
7 That is the figure, isn't it? If you take -- if you
8 take the -- was 22.59 the hourly pay rate?

9 MR. GLAUBERMAN: I believe so.

10 ADMINISTRATIVE LAW JUDGE: And it shows 36F.

11 MR. GLAUBERMAN: 36F, yes, Your Honor.

12 ADMINISTRATIVE LAW JUDGE: Okay. So if you
13 multiply that by 173.3333, that gives you the 3,915, so
14 that's where that number in -- in item 4 on A41 comes
15 from.

16 MR. GLAUBERMAN: I believe that's correct.

17 ADMINISTRATIVE LAW JUDGE: Let me just make a note
18 of that, please. Thank you.

19 Mr. Glauberman, did you have further questions
20 for the witness, for Mr. Camacho?

21 MR. MORRISON: Your Honor, if I could be heard,
22 briefly.

23 ADMINISTRATIVE LAW JUDGE: Of course.

24 MR. MORRISON: You had a question about the \$4,033
25 amount, and I'm -- if it would be helpful, I think I can

1 point to where that number comes from.

2 ADMINISTRATIVE LAW JUDGE: I'm sorry. If I said
3 that, I misspoke.

4 MR. MORRISON: Okay.

5 ADMINISTRATIVE LAW JUDGE: I'm looking at -- I was
6 looking at page A41 at No. 4 for Ms. Pelleriti, and I
7 took the 4,002 that was reported and backed out the
8 longevity pay because PERS contends that shouldn't have
9 been there, and I got 3,795.

10 But then there is another sentence that says
11 that that was not correct, that the correct monthly pay
12 rate was 3,915. And I was trying to figure out where
13 that came from, and I see where it comes from. It comes
14 from PERS's contention that they should have taken the
15 daily pay rate and multiplied it by 173.33, so that's
16 where that 3,915 comes from.

17 MR. MORRISON: I think we are all on the same page.

18 ADMINISTRATIVE LAW JUDGE: Okay. Good.

19 BY MR. GLAUBERMAN:

20 Q So, Mr. Camacho, on this same page, the second
21 to the last -- from the 2013 finding where it says
22 "4,033," would the same type of calculation get CalPERS
23 to its contention of the 4,033.10 based on the hourly
24 rate from the pay schedules?

25 A That's correct.

1 Q Okay. And so the same for the February 28,
2 2014?

3 A Yes.

4 Q Okay. Stop sharing for one second.
5 Now, I'm sharing on A52, CalPERS's Exhibit 4,
6 which is page 59 in the PDF.

7 (Claimant's Exhibit No. 4 was
8 marked for identification by the
9 Administrative Law Judge.)

10 BY MR. GLAUBERMAN:

11 Q Mr. Camacho, do you recognize this document?

12 A Let's see here. Yes.

13 Q What is this?

14 A This is an agency response that was directed
15 to the Office of Audit Services. Well, it's in response
16 to the draft report -- the audit draft report that came
17 out sometime in July of 2018. This is an agency letter
18 to the chief auditor, you know, outlining the
19 observations had been reviewed and a response to each of
20 the observations.

21 Q So is this a document that you reviewed as
22 part of your involvement with this audit?

23 A Yes.

24 Q Okay. And I'm going to scroll down a few
25 pages because -- to the audit finding 4.

1 MR. GLAUBERMAN: And so just for the record, I'm on
2 page A56, which is 63 of the PDF.

3 BY MR. GLAUBERMAN:

4 Q And this, it looks like, has the audit finding
5 4 where it says "Pay rate, full-time pay rate," then
6 "CalPERS's draft audit finding." Do you see that?

7 A Yes.

8 Q Now, below that, it looks like there's a
9 response from Tustin USD?

10 A Yes.

11 Q And did CalPERS review and consider this
12 response from the district?

13 A Yes.

14 Q Okay.

15 A Can I clarify something?

16 Q Yes.

17 A At this point, this response was directed to
18 the auditors, so the auditors would consider this.

19 Q Okay.

20 A We would also later consider it as well --

21 Q Okay.

22 A -- in our division.

23 Q Right. This first sentence -- and I'm going
24 to highlight it -- of this paragraph at the bottom here,
25 if you could read that to yourself regarding the hourly

1 rate being too high or the monthly too low.

2 A Okay.

3 Q In your experience with CalPERS, does CalPERS
4 tend to instruct employers that the hourly rate they're
5 paying an agency is too high?

6 A Historically, we've found that there's been
7 compliance issues with overreported pay rates, if I
8 answer the question correctly. I'm not sure.

9 Q Okay. And in this situation, was one of the
10 audit resolutions posed to Tustin that it could lower
11 the hourly rate they're paying employees? Do you know?

12 A Oh, no.

13 Q Why not?

14 A This was -- this issue was specifically not
15 about what was being paid to their employees from the
16 documents that were reviewed. This is what was reported
17 in our system, into CalPERS.

18 Q Okay.

19 A And we found that the monthly pay rate that
20 was reported in our system for these members was not a
21 full-time equivalent, and it was -- it was lower than
22 what it should be according to, you know, the certain
23 business practices for full-time equivalency, 40 hours
24 per week and such.

25 Q Okay. And in this next sentence in this

1 paragraph, there is a reference to districts using 21,
2 22, or 23 days each month. Do you see that?

3 A Yes.

4 Q Do you know if CalPERS is able to allow
5 reporting based on that many days in a month?

6 A I think our system is set up for an average of
7 21.6667, which is considered a full-time equivalent
8 amount of days per month. That's been a standard
9 practice historically for many decades in our system and
10 how we advise on that to agencies.

11 Q Okay. I'm going to scroll down to the next
12 page. Let's see. As part of the audit resolution
13 process, in your experience, does CalPERS ever instruct
14 the agencies how much it should actually pay their
15 employees?

16 A No.

17 Q Why not?

18 A I don't think we have any authority for that,
19 actually. Our role as the administrators and in our
20 division is to ensure, you know, compliance and accurate
21 data as reported in the system, because like you said
22 earlier, ultimately, we use that data to make sure that
23 service credit is earned appropriately.

24 We make sure that at the time of retirement,
25 that retirement calculations are correctly calculated

1 based on, you know, what is allowed under the statute
2 and what is allowed under the regulations. So that's
3 mainly our role as the administrator of the pension
4 system.

5 Q Okay. To the best of your knowledge, is
6 Exhibit 4 a true and accurate copy of the district's
7 initial response to CalPERS's draft audit?

8 A Yeah. It looks like it, yes.

9 MR. GLAUBERMAN: Your Honor, CalPERS requests that
10 Exhibit 4 be admitted into evidence.

11 ADMINISTRATIVE LAW JUDGE: Objections to 4?

12 MR. MORRISON: No objections, Your Honor.

13 ADMINISTRATIVE LAW JUDGE: That's in evidence.

14 (Claimant's Exhibit No. 4 was
15 received in evidence by the Administrative
16 Law Judge.)

17 MR. GLAUBERMAN: Your Honor, I would ask if we
18 could take a couple minute break at this point, like
19 maybe five minutes.

20 ADMINISTRATIVE LAW JUDGE: Let's take ten minutes.

21 Mr. Glauberman, were you through?

22 MR. GLAUBERMAN: I'm not through. I'm going to run
23 through a few more things. But ten minutes is fine.

24 ADMINISTRATIVE LAW JUDGE: Great. Let's return in
25 ten minutes, please. Thank you.

1 (A recess was taken)

2 ADMINISTRATIVE LAW JUDGE: All right. Back on the
3 record, please.

4 Mr. Glauberman.

5 MR. GLAUBERMAN: Thank you, Your Honor.

6 BY MR. GLAUBERMAN:

7 Q Mr. Camacho, I'm going to direct your
8 attention to CalPERS's Exhibit 5, which is A62 in the
9 exhibits or 69 in the PDF version.

10 (Claimant's Exhibit No. 5 was marked
11 for identification by the Administrative
12 Law Judge.)

13 BY MR. GLAUBERMAN:

14 Q Do you recognize this document?

15 A Yes.

16 Q What is this?

17 A Once the final audit report is published by
18 our board and by the auditors, our division then reaches
19 out with this initial notification. You can see my name
20 there at the bottom as the primary contact, and then my
21 backup analyst is also noted there.

22 So this is just an initial notification to the
23 agency and specifically Nam Nguyen. This is reaching
24 out letting her know that we are going to start working
25 with the agency to resolve all of the matters outlined

1 in the finding.

2 Q To the best of your knowledge, this is a true
3 and accurate copy of that letter for the specific audit?

4 A Yes.

5 MR. GLAUBERMAN: Your Honor, CalPERS requests
6 Exhibit 5 be admitted into evidence.

7 ADMINISTRATIVE LAW JUDGE: Objections?

8 MR. MORRISON: No objections, Your Honor.

9 ADMINISTRATIVE LAW JUDGE: 5 is in evidence.

10 (Claimant's Exhibit No. 5 was
11 received in evidence by the Administrative
12 Law Judge.)

13 MR. GLAUBERMAN: Thank you, Your Honor.

14 BY MR. GLAUBERMAN:

15 Q Mr. Camacho, now I'm going to scroll forward
16 to Exhibit 6, A67, and the document page 74, and it's a
17 little small. See if I can get it a little bigger.

18 (Claimant's Exhibit No. 6 was marked
19 for identification by the Administrative
20 Law Judge.)

21 BY MR. GLAUBERMAN:

22 Q Do you recognize this document?

23 A Yes.

24 Q What is this?

25 A This is an e-mail from me, specifically, from

1 myself, being directed to the same contact persons at
2 the agency. After the initial notification letter goes
3 out formally in writing, we then follow up with an
4 e-mail correspondence, you know, outlining why we are
5 reaching out, final report is published, setting up some
6 expectations to resolve the matter, and then also
7 setting up some proposed resolution.

8 In this e-mail, we also sent out requests for
9 additional documentation if we need it or just to set up
10 open communication with the agency to collaborate and
11 ultimately get the observations resolved.

12 Q So this is just a standard e-mail sent out
13 after the initial draft audit to start a dialogue?

14 A Yes.

15 Q And to the best of your recollection, does
16 this appear to be a true and accurate copy of an e-mail
17 you sent on behalf of CalPERS from December 2018 --
18 December 27 to be exact?

19 A Yes.

20 MR. GLAUBERMAN: Okay. Your Honor, CalPERS
21 requests Exhibit 6 be admitted into evidence.

22 ADMINISTRATIVE LAW JUDGE: Objections to 6?

23 MR. MORRISON: Hold on, Your Honor. There is
24 actually a couple e-mails that are part of the same
25 exhibit.

1 MR. GLAUBERMAN: Counsel is correct, and I brought
2 up, I think, the next one within the same exhibit,
3 page 77 of the PDF and A70, I believe.

4 BY MR. GLAUBERMAN:

5 Q Can you explain what this e-mail is if you
6 recognize it, Mr. Camacho?

7 A Yes, I recognize it. I remember back between
8 December 2018 and April 2019, we were obviously -- with
9 this agency, I was in the -- I was the lead analyst, and
10 we were resolving six different issues and six different
11 reporting issues with the agency. So this is a little
12 bit later on, four months later.

13 This e-mail is specific to observation 4, you
14 know, reporting the full-time equivalent pay rate that
15 we've been talking about. And this e-mail was basically
16 after we had a few, I think, conference calls with the
17 agency and had other discussions with them going back
18 and forth, even internally here with our management
19 team.

20 We then sent out -- I sent out this e-mail
21 kind of like as an -- I believe an initial plan for a
22 resolution or some proposed options to resolve that --
23 this specific finding.

24 Q Okay. And so this e-mail in this exhibit, to
25 the best of your knowledge, is it a true and accurate

1 copy of the April 22, 2019, e-mail you sent regarding
2 possible resolution?

3 A Yes.

4 MR. GLAUBERMAN: Okay. Your Honor, CalPERS
5 requests Exhibit 6 be admitted into evidence, both
6 e-mails.

7 MR. MORRISON: No objection, Your Honor.

8 ADMINISTRATIVE LAW JUDGE: Exhibit 6 is in
9 evidence.

10 (Claimant's Exhibit No. 6 was
11 received in evidence by the Administrative
12 Law Judge.)

13 BY MR. GLAUBERMAN:

14 Q Exhibit 7, I'm directing your attention to
15 now, Mr. Camacho, and it begins on A73, page 80 in the
16 PDF, and I'm going to ask you the same question and
17 that's if you recognize this document?

18 A I do.

19 (Claimant's Exhibit No. 7 was marked
20 for identification by the Administrative
21 Law Judge.)

22 BY MR. GLAUBERMAN:

23 Q And what is this document?

24 A This is a letter that we sent out to the
25 agency's legal team or person, Mr. Morrison. I think

1 this was after some further discussions as well. This
2 was kind of like a letter of clarification and giving
3 background on CalPERS's historical practice.

4 And then this letter also was a little bit
5 more detailed and, you know, some of the calculation,
6 business practices, that have been in place at CalPERS
7 for a long time. I think this one was from -- this came
8 from our -- our assistant chief Brad Hanson, I believe.
9 I think that is who assigned this letter. So, yeah, I
10 do recognize this letter back from almost a year after
11 the final report came out.

12 Q Okay. And the "To," it looks like an attorney
13 for the agency, and the first sentence says, "We
14 appreciate your recent inquiry on behalf of Tustin USD."
15 Is this letter, then, a response to correspondence from
16 Mr. Morrison?

17 A Yes.

18 Q Okay. And to the best of your knowledge, is
19 this a true and accurate copy of that December 18, 2019,
20 letter from CalPERS and Brad Hanson, in particular, to
21 Mr. Morrison?

22 A Yes.

23 MR. GLAUBERMAN: Your Honor, CalPERS requests
24 Exhibit 7 be admitted into evidence.

25 MR. MORRISON: If I may have just one second, Your

1 Honor.

2 ADMINISTRATIVE LAW JUDGE: Of course.

3 MR. MORRISON: I have no objection. But for the
4 sake of completeness, I would also ask that the
5 letter -- my letter to CalPERS that this was in response
6 to be included as well.

7 MR. GLAUBERMAN: And that's in the appeal letter.
8 I believe you included it as an attachment.

9 MR. MORRISON: Fair enough.

10 MR. GLAUBERMAN: If you want to admit that, it's
11 going to be in the next exhibit.

12 MR. MORRISON: Okay. Yeah.

13 ADMINISTRATIVE LAW JUDGE: Exhibit 7 is in
14 evidence.

15 (Claimant's Exhibit No. 7 was
16 received in evidence by the Administrative
17 Law Judge.)

18 BY MR. GLAUBERMAN:

19 Q All right. Now, I'm on Exhibit 8. Trying to
20 get through these.

21 (Claimant's Exhibit No. 8 was
22 marked for identification by the
23 Administrative Law Judge.)

24 BY MR. GLAUBERMAN:

25 Q And do you recognize this document?

1 A Yes.

2 Q And it appears to be a letter dated
3 February 19, 2020, addressed to a Ms. Ostrander. Do you
4 see that?

5 A Yes.

6 Q And is this -- it's an appeal letter. It says
7 "Notice of appeal." Was that part of your audit review
8 process, or is it out of your hands at this point, or...

9 A Still involved in it a little bit, but -- so
10 in the previous letter that we looked at that went out
11 to Mr. Morrison, at the bottom of that letter, CalPERS
12 offered appeal rights based on certain statutes and
13 regulations, and so this is in response to that. This
14 is the formal letter of appeal directed at the
15 division -- chief of our division, Renee Ostrander.

16 Q Okay. And so this appeal letter from the
17 district is more or less what starts the formal appeal
18 process of the audit finding?

19 A Yes.

20 Q Okay. And to the best of your knowledge, this
21 letter is a true and accurate copy of the letter CalPERS
22 received that started that process?

23 A Yes.

24 Q Okay. Then going down, it looks like there is
25 numerous attachments; I believe there is the draft audit

1 and other documents. Do you know if they were all
2 submitted with the appeal letter?

3 A Yes.

4 Q Okay. Good. To the best of your knowledge,
5 is Exhibit 7 a -- I think it's 7 --

6 ADMINISTRATIVE LAW JUDGE: 8. Exhibit 8.

7 BY MR. GLAUBERMAN:

8 Q -- Exhibit 8 a true and accurate copy of the
9 appeal letter with attachments from the agency?

10 A Yes.

11 MR. GLAUBERMAN: Your Honor, CalPERS requests
12 Exhibit 8 be admitted into evidence.

13 And I know that counsel did want to make sure
14 that the previous letter he sent was included, and I do
15 believe that beginning A95, and it's 102 in the PDF, is
16 where that letter December 10, 2019, is included. And
17 he can confirm that, I believe, Mr. Morrison can, but I
18 want to just, for the record, note that to alleviate his
19 concerns.

20 MR. MORRISON: And I do believe it's there, and
21 there is no objections to Exhibit 8.

22 ADMINISTRATIVE LAW JUDGE: Exhibit 8 is in
23 evidence.

24 (Claimant's Exhibit No. 8 was
25 received in evidence by the Administrative

1 Law Judge.)

2 BY MR. GLAUBERMAN:

3 Q All right. Exhibit 9, I'm going to direct
4 your attention to, Mr. Camacho, A118, PDF page 125,
5 indicates the subject is appeal acknowledgment.

6 (Claimant's Exhibit No. 9 was
7 marked for identification by the
8 Administrative Law Judge.)

9 BY MR. GLAUBERMAN:

10 Q Do you recognize this?

11 A I don't see it.

12 Q I'm not sharing. I'm sorry. It's my fault.

13 A It's okay.

14 Q Is it there now?

15 A Yes, there we go.

16 Q So this is the appeal acknowledgment?

17 A Yes.

18 Q This is just a standard letter sent by
19 CalPERS?

20 A Very standard letter, yes.

21 Q This is a true and accurate copy of that
22 letter for this case?

23 A Yes.

24 MR. GLAUBERMAN: Your Honor, CalPERS requests
25 Exhibit 9 be admitted.

1 MR. MORRISON: No objection.

2 ADMINISTRATIVE LAW JUDGE: 9 is in evidence.

3 (Claimant's Exhibit No. 9 was
4 received in evidence by the Administrative
5 Law Judge.)

6 BY MR. GLAUBERMAN:

7 Q All right. Exhibit 10, and that begins on
8 A120, and this is a quite long exhibit, I believe, and
9 it's 120 -- A120 and 127 of the PDF.

10 (Claimant's Exhibit No. 10 was
11 marked for identification by the
12 Administrative Law Judge.)

13 BY MR. GLAUBERMAN:

14 Q Do you recognize this document, Mr. Camacho?

15 A I don't think you're sharing this one again.

16 Q Oh. Sorry.

17 MR. MORRISON: Your Honor, I do not believe we were
18 able to pull Exhibit 10 off of CaseLines.

19 MR. GLAUBERMAN: It was one that we had uploaded or
20 we thought we did, and then it didn't go on. Then we
21 uploaded it later, and I think it made it. But I can't
22 speak for what was available to everybody else.

23 So I believe that you have it in your
24 exhibits, though, Counsel; is that correct?

25 MR. MORRISON: Well, is this the entire audit?

1 MR. GLAUBERMAN: I believe so.

2 MR. MORRISON: So just briefly, there are dozens
3 and dozens -- it was like 64 agencies who are part of
4 the audit. So it's hundreds and hundreds of pages, and
5 only a small portion --

6 MR. GLAUBERMAN: Right.

7 MR. MORRISON: -- pertains to Tustin.

8 ADMINISTRATIVE LAW JUDGE: There's 236 pages it
9 looks like.

10 MR. MORRISON: I won't have an objection to the
11 audit report coming in, but I do want to make sure that
12 I'm able to obtain a full and complete copy of it.

13 MR. GLAUBERMAN: Of course, yeah. I can e-mail you
14 today -- e-mail it to you later, and it might be in
15 different parts, but -- just because the size of the
16 actual document, or I can probably give you a link as
17 well, if that's appropriate.

18 MR. MORRISON: Yes.

19 ADMINISTRATIVE LAW JUDGE: Okay.

20 MR. GLAUBERMAN: Kevin Lau is going to put it into
21 the chat, I believe, the link to so you can be viewing
22 it so you can have it in front of you.

23 MR. MORRISON: For better or worse, I am attending
24 on the Internet -- Microsoft Teams Internet site rather
25 than the app, so I don't know that I've got access to

1 the chat. But if you're screen sharing, I believe this
2 is the same -- a lot of the same documentation was
3 already put into evidence.

4 MR. GLAUBERMAN: Right.

5 MR. MORRISON: Okay.

6 BY MR. GLAUBERMAN:

7 Q But this is the final audit report, I think,
8 for all agencies; right, Mr. Camacho?

9 A Yes.

10 Q Okay. So CalPERS just didn't single out
11 Tustin to look at their pay rates, but a number of
12 agencies to look at samples and investigate?

13 A Correct.

14 MR. GLAUBERMAN: Okay. Your Honor, counsel is
15 correct. There are other agencies here, and I don't
16 know if we want to remove the other agencies for -- so
17 it doesn't have too many pages in, or if we can just
18 admit Exhibit 10, but stipulate that only a small
19 portion is relevant to this appeal.

20 ADMINISTRATIVE LAW JUDGE: Do you know which pages
21 they are?

22 THE WITNESS: They are probably in alphabetical
23 order.

24 ADMINISTRATIVE LAW JUDGE: A41 will be among them.

25 MR. MORRISON: I was able to access the chat, but

1 the link that Kevin provided is just showing up as "page
2 not found." It says that our website has changed.

3 MR. GLAUBERMAN: Well, I think you -- your
4 exhibits -- I just saw it a second ago, if I can figure
5 out the number -- has the final audit report. Might
6 even be your first exhibit. We can just go off that one
7 if everybody agrees. I think that works.

8 And just to know -- I can have Mr. Camacho
9 confirm. I'm looking at page 488. In the entire PDF,
10 it is exhibit -- the district's Exhibit 1, I believe.
11 Does this appear to be the same thing, Mr. Camacho?

12 THE WITNESS: Yes.

13 MR. GLAUBERMAN: Okay. CalPERS is fine using this
14 one as the operative final audit report for this case.
15 So we can withdraw our Exhibit 10 and rely on this.

16 MR. MORRISON: No objection.

17 ADMINISTRATIVE LAW JUDGE: So Exhibit 1, are you
18 offering Exhibit 1?

19 MR. GLAUBERMAN: Sure.

20 ADMINISTRATIVE LAW JUDGE: There is no objection to
21 that?

22 MR. MORRISON: No objection. We can make it a
23 joint exhibit, then.

24 ADMINISTRATIVE LAW JUDGE: Exhibit 1 is in
25 evidence.

1 (Respondent's Exhibit No. 1 was
2 received in evidence by the Administrative
3 Law Judge.)

4 MR. GLAUBERMAN: All right. Thank you, Your Honor.

5 MR. MORRISON: And, Your Honor, if I may, briefly,
6 as both parties were uploading exhibits, I think we both
7 had in mind that we would use numbers, and so this is
8 district's Exhibit 1, not CalPERS's Exhibit 1 that I --
9 that we were just discussing.

10 ADMINISTRATIVE LAW JUDGE: Oh, okay. I'm sorry.
11 Are you telling me that all of these numbered exhibits
12 are district exhibits?

13 MR. MORRISON: Well, the exhibits that CalPERS has
14 been offering into evidence are numbered; they're
15 CalPERS's exhibits. But the one that was just offered
16 into evidence is a district exhibit, which unfortunately
17 were also numbered. So it is -- so the one --

18 ADMINISTRATIVE LAW JUDGE: For a district exhibit,
19 it should be introduced with a B, not an A. This is --
20 oh, wait a minute. Yeah. It's A16 through A28, that's
21 Exhibit 1. So that's something that CalPERS uploaded.
22 No?

23 MR. GLAUBERMAN: No, Your Honor. Things got hinky
24 on CaseLines yesterday and the past few days, I think.
25 And this Exhibit 1, there is that one -- there's a few

1 Exhibit 1's in here.

2 ADMINISTRATIVE LAW JUDGE: So we are not talking
3 about A16 through A28?

4 MR. GLAUBERMAN: I'm going to...

5 ADMINISTRATIVE LAW JUDGE: Are we talking about a B
6 exhibit?

7 MR. MORRISON: No.

8 MR. GLAUBERMAN: No. This is the district's
9 Exhibit 1, I believe, that I'm sharing right now, and
10 it's 487 pages into the PDF. And if you look on the
11 contents on the left of my screen, that follows all of
12 CalPERS, but it's also listed as Exhibit 1 and listed
13 with A page annotations -- paginations.

14 ADMINISTRATIVE LAW JUDGE: My CaseLines index shows
15 the pages A1 and A2 are Request For Official Notice.

16 So do you folks have the index?

17 MR. GLAUBERMAN: Yeah. I think that's where some
18 of the problems occurred. When I tried uploading my own
19 exhibits, which I learned not to do, at least for the,
20 Request For Official Notice, and I think it kind of
21 screwed up some of the paginations. Because that's what
22 I'm seeing, A1 and A2 here, and then it's followed by
23 CalPERS's exhibits, which were already uploaded as 1.

24 ADMINISTRATIVE LAW JUDGE: Oh, my. This is very
25 strange.

1 So can you find the actual exhibits that we
2 just admitted into evidence?

3 MR. GLAUBERMAN: CalPERS 9 or the audit -- the
4 final audit report?

5 ADMINISTRATIVE LAW JUDGE: The final audit report
6 that we are calling Exhibit 1.

7 MR. GLAUBERMAN: Yes. It is immediately
8 following -- in my index that I'm looking at,
9 immediately following CalPERS's Exhibit 21, there is an
10 A, Exhibit 1. And then underneath that is when I
11 clicked on Exhibit 1, and it brings -- it brought me to
12 this final audit report from December 6, 2018. I'm
13 working offline from CaseLines. I just downloaded this
14 instead of using the Internet.

15 MR. MORRISON: It looks like what may have happened
16 is the CalPERS exhibits, I think, start with
17 Bates-stamped or No. A1, and they kind of go all the way
18 through No. A479. And then it looks like the district
19 exhibits have each been assigned a different letter.

20 So one of our exhibits, our first exhibit, is
21 noted as A1 through A13. There are -- our Exhibit No. 2
22 is marked B. Our Exhibit No. 3 is marked C. And each
23 one of them starts over. So Exhibit 2 would be B1
24 through B10, Exhibit 3 would be C1 through C3. Then
25 when they got to 26, they decided everything after 26

1 would also be A.

2 MR. GLAUBERMAN: And it moved them up into the
3 initial exhibit. It's very -- CaseLines did get crazy,
4 I think, or the day before.

5 MR. MORRISON: Can I make a suggestion, Your Honor?

6 ADMINISTRATIVE LAW JUDGE: Yes.

7 MR. MORRISON: I believe that based on the exhibits
8 that have come into evidence -- and there are a number
9 of exhibits that, I think, we have agreed, you know,
10 should be -- should be noticed or that notice should be
11 taken of them.

12 I believe that opposing counsel and I might be
13 able to have a discussion after we are done for today
14 and see if we can reach agreement on how to clarify the
15 exhibits so we are not using multiple -- you know,
16 multiple exhibits. I think there is quite a bit of
17 overlap between our exhibits.

18 ADMINISTRATIVE LAW JUDGE: All right. So
19 Exhibit 10, which you're saying is the final audit, is
20 approximately 237 pages.

21 MR. GLAUBERMAN: That sounds about correct, Your
22 Honor.

23 ADMINISTRATIVE LAW JUDGE: And I don't know where
24 it is. Does anyone else know, on the index -- on the
25 CaseLines index?

1 MR. MORRISON: Yeah, I do.

2 ADMINISTRATIVE LAW JUDGE: Where is it?

3 MR. MORRISON: It is showing up number -- well, I'm
4 looking at CaseLines. It's showing up as No. 11. It
5 says "Exhibit 10, September 1, 2021, A119 through A356."
6 I think that's Exhibit 10. But there is also a document
7 that has the same thing, but just the Tustin Unified
8 portion, not the portion that pertains to other
9 districts or other entities.

10 And if you go down to Exhibit 21, right below
11 that is a notation that says "A, Exhibit 1," and then it
12 says "Exhibit 1, August 30, 2021, A1 through A13." That
13 document is the same audit report. It's just -- it's
14 just the Tustin portion only. It was the latter
15 document that was the one that we had agreed to -- or
16 that counsel was agreeing to move into evidence.

17 ADMINISTRATIVE LAW JUDGE: So tell me what the
18 CaseLines page numbers are for that.

19 MR. MORRISON: Well, it's A1 through A13, but it's
20 being given the same number -- there are other CalPERS
21 exhibits that occupied those same numbers. So we have
22 essentially two sets of documents that would be marked
23 A1 through A13. This is the second.

24 ADMINISTRATIVE LAW JUDGE: I understood you to say
25 that it followed you, Exhibit 21. Is that not correct?

1 MR. MORRISON: The way I'm seeing it on my screen,
2 it starts off with A, CalPERS evidence, and under A,
3 there is 1 through 21. And then right after that, it
4 says "A," again, "Exhibit 1," and under that is No. 1.
5 It says "Exhibit 1," and that -- that's the document
6 we're -- I think we're looking at.

7 ADMINISTRATIVE LAW JUDGE: Well, my CaseLines
8 exhibit starts off, the first page is A1 through A374,
9 and then the second page are exhibits 13 through 20.
10 There is no Exhibit 21 there. Then it says
11 "Respondents' B" -- Respondents' evidence, there's
12 nothing, additional documents, nothing.

13 MR. MORRISON: We've got -- after Exhibit 20, we
14 have, I believe, a good 28 documents, and I think you're
15 saying you're not seeing those.

16 MR. GLAUBERMAN: I've got those documents as well
17 from counsel -- that counsel is referencing.

18 ADMINISTRATIVE LAW JUDGE: Can you show me that?
19 Do you have an electronic copy of that?

20 MR. GLAUBERMAN: Yes, I do, Your Honor. Thank you.
21 So right here are contents. We've got CalPERS
22 20 which ends there, which is a reporting screen. Then
23 following that, I've got A1, which is the final audit
24 report.

25 Then, of course, it skips to 26, which is also

1 paginated into A's, and then Exhibit 2, which is the
2 initial response to the draft audit, then to Exhibit 27
3 and 28, and then down to 3 again, which are some of the
4 e-mails that we referenced earlier, and then it goes all
5 the way to 25, it looks like, before it goes back up to
6 26, 27, 28. This is the PDF that I downloaded this
7 morning with the CaseLines contents on the left -- or
8 index on the left.

9 ADMINISTRATIVE LAW JUDGE: Let me show you what I
10 have. Let's go into CaseLines here. Oh, I'm sorry. I
11 can't open CaseLines, so this is not going to work. No,
12 it's not going to work.

13 Well, my understanding is that you decided to
14 withdraw Exhibit 10, which is the complete version of
15 the audit including other agencies. You decided to
16 withdraw that and agreed, instead, to admit something
17 called Exhibit 1. I cannot find that Exhibit 1 on my
18 list. If you can tell me what the Bates page numbers
19 are, I would be able to find it.

20 MR. GLAUBERMAN: It's one of the issues, Your
21 Honor, that it's Bates A1. It's on my screen right now.
22 This is where it is in the index following CalPERS 20 or
23 21. It's Bates A1. It says Exhibit 1, and A2, the next
24 page which is the cover letter for the audit report.

25 And the PDF, it's 488 pages, and it's 488 out

1 of -- 894 is the total number of pages I have that I
2 downloaded from CaseLines this morning.

3 ADMINISTRATIVE LAW JUDGE: Can we see a few more
4 pages of that?

5 MR. GLAUBERMAN: Yes, Your Honor.

6 ADMINISTRATIVE LAW JUDGE: A2.

7 MR. GLAUBERMAN: A3.

8 ADMINISTRATIVE LAW JUDGE: Okay. So what page is
9 that? A5?

10 MR. GLAUBERMAN: A5 right here, yes.

11 ADMINISTRATIVE LAW JUDGE: Let's look at A16 -- or
12 A17. I beg your pardon. A17.

13 MR. GLAUBERMAN: That's -- after A13, it goes to
14 the next exhibit, A1 in Exhibit 26.

15 ADMINISTRATIVE LAW JUDGE: I'm going to get in
16 touch with someone on OAH's staff who works with
17 CaseLines regularly and ask her to help sort this out.
18 Maybe she can help us. I don't know what to put a check
19 mark beside as having been admitted that you've called
20 Exhibit 1.

21 The thing I see on page 1 that says
22 "Exhibit 1" is Bates A16 through A28, and that obviously
23 is not the complete audit report. So...

24 MR. GLAUBERMAN: And I'm thinking that's CalPERS's
25 initial Statement of Issues, based on just going to A16

1 through 28 and what I have.

2 MR. MORRISON: I think Mr. Glauberman and I are
3 seeing the exact same thing on our respective CaseLines.
4 It does seem to be something different than what you're
5 seeing, Your Honor, at least when we get to the district
6 exhibits.

7 ADMINISTRATIVE LAW JUDGE: Well, let me see if I
8 can direct you to what I'm seeing.

9 Would you -- can you open up the case in
10 CaseLines?

11 MR. GLAUBERMAN: You want me to go online to it?

12 ADMINISTRATIVE LAW JUDGE: Yeah.

13 MR. GLAUBERMAN: I can try, yeah.

14 I am there.

15 ADMINISTRATIVE LAW JUDGE: Do you see a tab called
16 "Bundles"?

17 MR. GLAUBERMAN: A tab called "Bundles"? Let's
18 see. Right now, I've got the evidence up. So let me
19 take a look. I've got bundle...

20 ADMINISTRATIVE LAW JUDGE: There is a tab. It's
21 about halfway along the line of tabs, and it says
22 "Bundles."

23 MR. GLAUBERMAN: I've got the bundles that I can
24 download.

25 ADMINISTRATIVE LAW JUDGE: Maybe you don't have a

1 Bundles tab. I don't see a Bundles tab there. So maybe
2 that's something that only OAH has. All right.

3 So we'll end a little bit early this
4 afternoon, and I'll get in touch with someone that -- a
5 woman at OAH who is very familiar with this and see if
6 she can straighten this out.

7 And in the meantime, let's remember that your
8 Exhibit 1 is not yet marked as in evidence. You need to
9 figure out where it is so I can mark it in evidence.

10 MR. MORRISON: Your Honor, if I can inquire,
11 briefly. It seems Mr. Camacho is almost done with his
12 direct. Just for purposes of advising my witnesses when
13 we need them tomorrow, are there any other witnesses
14 that are expected after we complete Mr. Camacho's
15 testimony, from the CalPERS side?

16 MR. GLAUBERMAN: I'm going to ask Mr. Lau a few
17 questions tomorrow. I think the rest of my -- at least
18 my direct examination of Mr. Camacho is just going to be
19 admitting evidence.

20 I don't know if we are going to just stipulate
21 to the admission of the salary schedules and, I think,
22 it was the report -- the district's reporting screens,
23 which shows Ms. Pelleriti's hours, pay days, months, and
24 all that. If we can stipulate to all that, I can finish
25 up with Mr. Camacho, and you do your cross, and then we

1 just have a few questions for Mr. Lau.

2 MR. MORRISON: Okay.

3 MR. GLAUBERMAN: Yeah.

4 ADMINISTRATIVE LAW JUDGE: So shall we look at
5 Exhibit 11?

6 MR. GLAUBERMAN: Sure. So Exhibit 11, Your Honor,
7 is the salary schedules for the classified bargaining
8 unit employees, and it includes both the hourly and the
9 monthly employees and different steps, and that's on
10 page A358, and it goes all the way to A366.

11 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, do you
12 want to stipulate to the admission of that?

13 MR. MORRISON: Yes, Your Honor.

14 ADMINISTRATIVE LAW JUDGE: Exhibit 11 is in
15 evidence.

16 (Claimant's Exhibit No. 11 was marked
17 for identification and received in
18 evidence by the Administrative Law Judge.)

19 ADMINISTRATIVE LAW JUDGE: And Exhibit 12?

20 MR. GLAUBERMAN: Exhibit 12, Your Honor, page A367,
21 and it begins on A368. It's a 2013 to '14 salary
22 schedule for the classified bargaining unit employees,
23 and that's A368 through A374.

24 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, do you
25 want to stipulate to that?

1 MR. MORRISON: Yes, Your Honor.

2 ADMINISTRATIVE LAW JUDGE: Exhibit 12 is in
3 evidence.

4 (Claimant's Exhibit No. 12 was marked
5 for identification and received in
6 evidence by the Administrative Law Judge.)

7 ADMINISTRATIVE LAW JUDGE: Exhibit 13?

8 MR. GLAUBERMAN: Exhibit 13, Your Honor, A375, 382
9 in the PDF order, and it's the 2014 to '15 salary
10 schedule for the classified bargaining unit employees,
11 from 376, and it goes down to, I believe, 382.

12 ADMINISTRATIVE LAW JUDGE: Yes. Mr. Morrison, do
13 you want to stipulate to the admission of that?

14 MR. MORRISON: Yes, Your Honor.

15 ADMINISTRATIVE LAW JUDGE: Exhibit 13 is in
16 evidence.

17 (Claimant's Exhibit No. 13 was marked
18 for identification and received in
19 evidence by the Administrative Law Judge.)

20 ADMINISTRATIVE LAW JUDGE: Exhibit 14?

21 MR. GLAUBERMAN: Exhibit 14, Your Honor, is the pay
22 assignment information for the sampled employee, and it
23 goes from page 384 to A387.

24 ADMINISTRATIVE LAW JUDGE: Tell me again what it
25 is.

1 MR. GLAUBERMAN: This is the payroll information
2 from the district for the sampled employee for the
3 sampled years, I believe.

4 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, do you
5 want to stipulate to the admission of that?

6 MR. MORRISON: Exhibit 13, yes, Your Honor.

7 ADMINISTRATIVE LAW JUDGE: Exhibit 14.

8 MR. MORRISON: I'm sorry. Exhibit 14, yes.

9 ADMINISTRATIVE LAW JUDGE: 14 is in evidence.

10 (Claimant's Exhibit No. 14 was marked
11 for identification and received in
12 evidence by the Administrative Law Judge.)

13 ADMINISTRATIVE LAW JUDGE: Exhibit 18?

14 MR. GLAUBERMAN: Exhibit 18 is just a sample. It's
15 a public agency schools and reference guide, and we --
16 I've got sampled selections from it because it's also a
17 large document, sample the areas that talk about pay
18 rate and earnings and things like that. And that starts
19 on page 398 -- A397 to 398, and then it goes all the way
20 to...

21 ADMINISTRATIVE LAW JUDGE: 415.

22 MR. GLAUBERMAN: 415. You've got it.

23 ADMINISTRATIVE LAW JUDGE: Do you want to stipulate
24 to that, Mr. Morrison?

25 MR. MORRISON: Sorry, Your Honor. I'm still

1 looking at a couple things.

2 No objection.

3 ADMINISTRATIVE LAW JUDGE: Exhibit 18 is in
4 evidence.

5 (Claimant's Exhibit No. 18 was marked
6 for identification and received in
7 evidence by the Administrative Law Judge.)

8 ADMINISTRATIVE LAW JUDGE: Exhibit 20, it starts at
9 A479 and goes to A -- oh, it's one page.

10 (Claimant's Exhibit No. 20 was
11 marked for identification by the
12 Administrative Law Judge.)

13 MR. GLAUBERMAN: Just one page, Your Honor. This
14 is just a screen to show what is in CalPERS's system
15 when it's reported by the agency for the sampled
16 employee for the year of '12 to '13, which is one of the
17 sampled years. So it's more of just a demonstrative to
18 show what we see, and I can have someone talk about this
19 just for more edification. But this is what we see when
20 the district is reporting to CalPERS.

21 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, do you
22 want to stipulate to that?

23 MR. MORRISON: No. I actually am not familiar with
24 this document.

25 MR. GLAUBERMAN: We just uploaded it. I felt it

1 would be good. I don't think it was given in discovery.
2 I'll cop to that. But we just felt it would be good for
3 demonstrative purposes to show everybody what CalPERS
4 deals with from a reporting perspective.

5 ADMINISTRATIVE LAW JUDGE: Did you want to lay a
6 foundation for it?

7 MR. GLAUBERMAN: Sure.

8 BY MR. GLAUBERMAN:

9 Q Mr. Camacho, can you share -- I'll share the
10 screen. Can you explain what this is -- let's see
11 here -- if you recognize it?

12 A I think I have it pulled up. This is
13 Exhibit 20?

14 Q Yes.

15 A And I've enlarged it. All right.

16 Yeah, this is a screenshot of the myCalPERS
17 system, so this payroll data that shows here is reported
18 to our system from, I think, the county office of
19 education for this Tustin Unified School District.

20 This is a screenshot for Alane Pelleriti for
21 the 2012-2013 fiscal year, and this, you can see, you
22 know, the posted service credit, the pay periods in
23 which they were reported, the pay rates, the earnings,
24 and any special compensation if there -- those are at
25 zero, actually.

1 Q This is what was reported by the district to
2 CalPERS?

3 A Yes.

4 Q Have there been adjustments to this made by
5 CalPERS?

6 A No.

7 MR. GLAUBERMAN: Okay. Your Honor, CalPERS would
8 request that Exhibit 20 be admitted.

9 ADMINISTRATIVE LAW JUDGE: Objections,
10 Mr. Morrison?

11 MR. MORRISON: No objections, Your Honor.

12 ADMINISTRATIVE LAW JUDGE: Exhibit 20 is in
13 evidence.

14 (Claimant's Exhibit No. 20 was
15 received in evidence by the Administrative
16 Law Judge.)

17 ADMINISTRATIVE LAW JUDGE: Now, that's as far as my
18 CaseLines index seems to make any sense. So I'm going
19 to suggest that I see if I can get someone to straighten
20 this out for us, and we'll come back to the rest of
21 these exhibits tomorrow. Is that all right?

22 MR. GLAUBERMAN: That's fair, Your Honor.

23 ADMINISTRATIVE LAW JUDGE: Okay. So,
24 Mr. Glauberman, further questions for Mr. Camacho?

25 MR. GLAUBERMAN: I have no further questions for

1 Mr. Camacho at this time.

2 ADMINISTRATIVE LAW JUDGE: All right.

3 Mr. Morrison, cross?

4 MR. MORRISON: Yes, thank you.

5

6 CROSS-EXAMINATION

7 BY MR. MORRISON:

8 Q All right. Mr. Camacho, with respect to audit
9 finding No. 4, the sampled employee's name is Alane
10 Pelleriti; correct?

11 A Yes.

12 Q And is it -- to your knowledge, Ms. Pelleriti
13 worked 40 hours per week?

14 A Yes, I believe so. In some earned periods,
15 there was 40 hours per week.

16 Q You stated in your testimony that CalPERS does
17 not instruct employers how much to pay their employees.
18 Did I get that correct?

19 A Yes.

20 Q Okay.

21 A Yeah. I'm sorry.

22 Q But you are directing the district to report a
23 pay rate that is in excess of what the district has
24 actually paid to Ms. Pelleriti; correct?

25 A Our determination and instruction was to

1 report a pay rate that was being paid, the hourly pay
2 rate.

3 Q Right. But you do understand that
4 Ms. Pelleriti is identified as a monthly employee by the
5 district and is paid on the monthly salary schedule;
6 correct?

7 A Yes.

8 Q And so every month, she receives 3,000 -- at
9 least, in the 2012-'13 year, every month she received
10 \$3,795; correct?

11 A Our determination when reviewing the pay
12 schedule and then along with the agency's document that
13 that 3,795 or 37,950 were the earnings over -- as stated
14 in there, over ten months.

15 Q I'm sorry. I didn't understand the answer.

16 A We made the determination that the amount
17 stated on the monthly salary schedule for classified
18 employees was an earnings amount that is earned over ten
19 months. We did not make a determination that that was
20 the correct full-time equivalent pay rate.

21 ADMINISTRATIVE LAW JUDGE: I'm sorry. Could I have
22 the question read back.

23 (The record was read by the
24 reporter as follows:

25 "Q And so every month, she receives

1 3,000 -- at least, in the 2012-'13 year,
2 every month she received \$3,795;
3 correct?")

4 ADMINISTRATIVE LAW JUDGE: Is that correct or not?

5 THE WITNESS: Yeah, that's correct. What we
6 determined is that was the earnings reported per month.

7 ADMINISTRATIVE LAW JUDGE: I'm sorry. You say
8 that's correct, but. What is the but?

9 THE WITNESS: I think in the question, I also heard
10 if we made a determination as to if it was their pay
11 rate -- if it was the member's pay rate.

12 ADMINISTRATIVE LAW JUDGE: No. The question was
13 was she paid 3,795 per month?

14 THE WITNESS: Yes. It looks like in the payroll
15 reported to CalPERS, which was actually 4,002 reported,
16 but that included longevity. So in the earned
17 periods -- in some of the earned periods, it was -- that
18 was the correct amount reported as earnings.

19 BY MR. MORRISON:

20 Q All right. So if we take out the longevity,
21 the district was actually paying to Ms. Pelleriti \$3,795
22 per month; correct?

23 ADMINISTRATIVE LAW JUDGE: He said, "Yes."

24 THE WITNESS: Per month, yes.

25 ///

1 BY MR. MORRISON:

2 Q And that was the amount reflected on the
3 monthly salary schedule for her range and step; correct?

4 A The same amount was on the monthly salary
5 schedule, yes.

6 Q And despite the district paying her that
7 amount, your contention is the district should report a
8 higher amount than was actually paid as Ms. Pelleriti's
9 pay rate; correct?

10 A Not the pay rate. We didn't make that -- we
11 made the determination that the amount that was being
12 paid were the actual earnings of that member in each
13 earning month pay period.

14 Q All right. Let me try it this way:
15 Ms. Pelleriti is earning \$3,795 per month. She's
16 working 40 hours a week, full-time, and you're directing
17 the district to remit or report a pay rate that is in
18 excess of her full-time earnings; correct?

19 A No. That was not our -- our determination.
20 Our determination was to report to the system the
21 full-time equivalent pay rate, which is -- we determined
22 that the amount being reported, the 3,790 -- 950 was an
23 amount that was less than full-time equivalent.

24 Q You're calling her compensation less than
25 full-time, but she is working 40 hours a week; yes?

1 A According to the earnings reported in the
2 system, most of the time, yeah. There were some other
3 pay periods where the earnings were a lot less, so most
4 of the time. And most, like, academic -- during the
5 academic year, I believe, the \$3,750 amount was reported
6 as earnings and a pay rate.

7 Q All right. I'm trying to understand how you
8 are suggesting that the district should report it. The
9 district paid her 3,795 a month. Your contention is
10 they should report 3,915.60, however, as the pay rate,
11 which is in excess of the amount they actually paid to
12 her; correct?

13 A Correct.

14 ADMINISTRATIVE LAW JUDGE: 3,916.15?

15 THE WITNESS: 3,915.60.

16 BY MR. MORRISON:

17 Q So if I understand, Mr. Camacho, it is
18 CalPERS's position that in order to accurately report
19 pay rate, the district needs to report a pay rate that
20 is actually in excess of the amount that Ms. Pelleriti
21 is earning based on her 40-hour per week assignment?

22 A Yes. We instructed to report a full-time
23 equivalent pay rate, and I think there is a distinction
24 there between what you think a full-time equivalent pay
25 rate is and what CalPERS's practice has been for a

1 full-time equivalent pay rate.

2 So we're not disputing the earnings of \$3,750
3 earnings amount at all. We are not disputing that that
4 is what was paid. We are not disputing that at all. We
5 are in contention that the pay rate that was reported is
6 not full-time equivalent according to 40 hours per week
7 times 52 weeks, or 12 months of employment, or
8 2,080 hours per year.

9 Q We had some testimony earlier that CalPERS
10 requires a relationship between hourly and monthly rates
11 of pay, and that relationship is the 173.333 factor.
12 You're familiar with that; yes?

13 A Yes.

14 Q All right. The question came up in some prior
15 testimony that if there is a fixed relationship or if
16 there needs to be a fixed relationship between the
17 hourly rate of pay and the monthly rate of pay, your
18 audit finding indicates that the monthly rate of pay
19 needs to go up.

20 But wouldn't it be equally consistent with
21 this fixed relationship that you would simply take the
22 hourly rate of pay or the hourly pay rate and drop that
23 down?

24 A I don't think there was any indication or
25 determination from our side that would -- where we made

1 a determination or recommendation to lower the hourly
2 pay rate, no.

3 Q The audit findings indicates that the monthly
4 pay rate needs to be increased. My question for you is
5 isn't it consistent with your formula, the district
6 could instead of increasing the monthly pay rate
7 decrease the hourly pay rate?

8 A I don't know what formula you're using to come
9 up with that, but I don't remember any determination
10 being made or recommendation for that to be made.
11 You're saying a formula, but I don't know what formula
12 you're talking about.

13 Q All right. Mr. Camacho, CalPERS took the
14 district hourly pay rate, multiplied it by 173.33 and
15 came up with an amount that you guys believe should be
16 reported as, essentially, the monthly compensation;
17 correct?

18 A When you ask it like that, yes. That's the
19 formula that we use. We took the hourly that was being
20 paid to that member, that sample member, and the
21 full-time equivalent that we recommended or instructed
22 to report was using the 173.333 factor.

23 Q All right. And my question for you is why not
24 start with the monthly compensation amount, the monthly
25 pay rate the district was reporting and divide that by

1 173.33 and come up with a new hourly pay rate?

2 A We couldn't make that determination because
3 the monthly amount that you're talking about has already
4 been converted. There has already been a conversion
5 before that, which is taking an annual amount and
6 dividing it by ten. So that starting point would be
7 problematic because of the previous conversion before
8 that.

9 Q All right. The district has a normal monthly
10 rate of pay which is 3,795 for this particular position
11 during the '12-'13 year; correct?

12 A Yes.

13 Q All right. And they've got an hourly rate of
14 pay for the same position for the same year; yes?

15 A Yes. According to the matching or the
16 classified hourly salary schedule, it looks like the
17 same range and step. There is an hourly amount, and
18 then there is also a monthly salary schedule to go along
19 with that.

20 Q All right. And you contend there needs to be
21 a relationship between those two sets of numbers,
22 between the two salary schedules of 173.33; yes?

23 A The hourly amount needs to be -- to get the
24 full-time equivalent, the hourly amount that is being
25 paid to this member, which matches both the hourly

1 salary schedule and the monthly salary schedule, we are
2 talking about the hourly amount needs to be used with a
3 full-time equivalent factor of 173.33.

4 Q And where does that come from?

5 A Decades of historical practice at CalPERS.
6 Retirement calculations are based off of full-time
7 equivalency, 173. 173 comes from 40 hours a week times
8 52 weeks, which is 2,080. 2,080 is then divided by 12,
9 and that's the average hours per month, which is
10 173.333.

11 MR. MORRISON: All right. Your Honor, I'm going to
12 stop here. I don't have any further questions.

13 MR. GLAUBERMAN: I have no more questions for
14 Mr. Camacho.

15 ADMINISTRATIVE LAW JUDGE: Is there any reason
16 Mr. Camacho should not be released?

17 MR. GLAUBERMAN: No, Your Honor.

18 MR. MORRISON: No, Your Honor.

19 ADMINISTRATIVE LAW JUDGE: Mr. Camacho, we thank
20 you very much, sir. You're released. You may sign off,
21 or if you want to stay and observe, you're welcome to do
22 that. Thank you, sir.

23 THE WITNESS: Thank you.

24 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman, are you
25 going to call Mr. Lau?

1 MR. GLAUBERMAN: Yes, sir.

2 ADMINISTRATIVE LAW JUDGE: Is that where we're
3 going next?

4 MR. GLAUBERMAN: Yes, Your Honor. CalPERS will
5 call Kevin Lau as its next witness.

6 ADMINISTRATIVE LAW JUDGE: Mr. Lau, I'm going to
7 ask you to take an oath, please.

8

9 KEVIN LAU

10 called as a witness on behalf of the Claimant,
11 having first been duly sworn by the Administrative Law
12 Judge, was examined and testified as follows:

13 THE WITNESS: I do.

14 ADMINISTRATIVE LAW JUDGE: Would you state your
15 name and spell it for the record, please.

16 THE WITNESS: Kevin Lau, K-E-V-I-N, Lau, L-A-U.

17 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

18 MR. GLAUBERMAN: Thank you, Your Honor.

19

20 DIRECT EXAMINATION

21 BY MR. GLAUBERMAN:

22 Q Where do you work, Mr. Lau?

23 A I am currently a staff service manager II
24 under the employer account management division under the
25 audit compliance and resolution section.

1 Q And how long have you held that position?

2 A I have held that just about a year.

3 Q Okay. And what are your general duties?

4 A My general duties, I oversee two particular
5 units under this section. One of the sections -- or one
6 of the units -- they directly handle the audit/client
7 resolution, which are audits that are conducted by our
8 Office of Audit Services, and those are generally tied
9 to compensation findings such as reporting, where
10 there's something that is reportable or not.

11 So that team, which handles initially -- part
12 of as an example, we work, with, you know, any
13 contracted agency that were audited, and we kind of
14 bridge between the gap as a liaison to resolve those
15 audits.

16 And my secondary unit is in charge of
17 reviewing any type of MOUs, you know, labor policy
18 agreements, salary schedules and such, to make sure,
19 one, are they reportable or, two, they just want to get
20 in compliance, and we provide those recommendations and
21 such.

22 Q What were your duties before your -- what was
23 your position before your current position?

24 A Absolutely. So prior to this position, I was
25 the staff services management analyst in pretty much the

1 same unit, yeah.

2 Q And are you familiar with the audit of Tustin
3 USD that is at issue for this appeal hearing?

4 A Yes, very well.

5 Q Have you reviewed the documents as they
6 pertain to this appeal's hearing?

7 A Yes, I have.

8 Q Okay. I'm going to direct you, if I may, to
9 Exhibit 14 in CalPERS's exhibit binder. It's A384. And
10 I'll share my screen so everybody can have a look.

11 Do you recognize this document?

12 A Yes. These are the compiled documents of
13 the -- what the district had provided to the auditors
14 initially based on Ms. Pelleriti's pay assignment or
15 information on the pay.

16 Q Okay. Can you tell by looking at this
17 document alone what the reported pay rate for
18 Ms. Pelleriti was?

19 A Just by looking at it, I know initially we
20 discussed about longevity is not an issue, but for these
21 purposes, the \$4,002, which you see under the -- it's a
22 little bit faint, but the monthly column has the total.
23 You'll see that 4,002. That was also kind of referenced
24 in Exhibit 20 --

25 Q Okay.

1 A -- payroll reporting.

2 Q Okay. But can you tell if they report -- you
3 know, we've talked about different types of reporting
4 for local -- for school agencies. Can you tell how the
5 district reported Ms. Pelleriti? Monthly? Hourly?
6 Daily? Or anything else about the reporting from this?

7 A Just by looking at this, we can kind of see
8 that the monthly pay rate is based on dividing the
9 annual pay rate by ten, and then there are also the, you
10 know, other pay rate such as the daily and hourly. But
11 for these purposes, the district has reported the
12 monthly pay rate, which is according to this pay sample.

13 Q What tells you on this that it's being
14 reported to CalPERS monthly?

15 A It does not tell us directly even whether an
16 employee is either a monthly or hourly employee. It's
17 really up to the agency on whether they choose to report
18 monthly, daily, or hourly.

19 Q Okay. So here, it looks like the agency
20 reporting to CalPERS an annual -- and it's kind of
21 faint, but \$37,950. Do you see that?

22 A Yes, I do.

23 Q The monthly on that would be 3,795?

24 A Uh-huh.

25 Q And it's CalPERS's position that is incorrect;

1 is that right?

2 A Based on looking at this pay sample, that is
3 incorrect.

4 Q Why is it -- strike that.

5 Do you know if this is what they -- the
6 district was paying Ms. Pelleriti?

7 A Based on this pay sample, it does appear she
8 is being paid 3,795 per month.

9 Q And if that's what they are paying her, why is
10 it an incorrect pay rate for CalPERS's purposes?

11 A Absolutely. So the pay itself, it's
12 considered as earnings. Right? It doesn't translate
13 directly into pay rate.

14 Now, in this particular example, the annual
15 pay or the annual salary is \$37,950. Now, the district
16 considered Ms. Pelleriti as a 10-month employee;
17 therefore, they took the annual amount divided by 10.

18 However, this -- even though the district
19 considered the member as a 10-month employee, the number
20 really truly works over 11 months. So as you can see,
21 the effective date on this pay sample is from August 24,
22 2012, to June 28 of 2013.

23 Q Where are you looking to see that?

24 A That is also under Exhibit 14 under the
25 effective -- under the primary assignment, you see the

1 date range there.

2 Q So I just highlighted that we are looking3at

--

4 ADMINISTRATIVE LAW JUDGE: Tell me the date range
5 again. I cannot read that.

6 THE WITNESS: Absolutely. August 24 of 2012, to
7 June 28 of 2013.

8 BY MR. GLAUBERMAN:

9 Q So what does that tell CalPERS, if anything,
10 about the reporting of this individual's pay rate?

11 A So this tells CalPERS that by Government Code
12 20636.1, if the member truly worked over 11 months, this
13 is considered an 11-month reporting for CalPERS's
14 purposes.

15 Q Okay. So how did that affect --

16 ADMINISTRATIVE LAW JUDGE: Can I ask you a question
17 about that?

18 When you say the number of months worked, if
19 a -- if an employee works anytime at all in a particular
20 month, does that month count as one of the months
21 worked?

22 THE WITNESS: Absolutely. So this is something
23 very common that we see is that just because -- you
24 know, just counting a few little days, even though this
25 member probably worked from the 24th to the 31st or

1 something, and a lot of districts are considering these
2 as 10-month employees.

3 But for CalPERS's reporting purposes, if they
4 worked, let's just say, even a day in, let's just say,
5 July 31st -- right? -- then this would be considered as
6 a 12-month employee as an example for CalPERS's
7 purposes.

8 ADMINISTRATIVE LAW JUDGE: Give me a second,
9 please.

10 So you say the district divided --

11 Can someone mute, please.

12 So you say the district divided the 37,950 by
13 10. Did PERS divide it by 11?

14 THE WITNESS: So we're not seeing how to
15 technically divide, but this is one of the issues that
16 we found that just because the district considered it as
17 a 10-month, it doesn't mean that we'll just take
18 whatever pay rate that is being paid as an earning. If
19 you want me to expand, I can, or I can stop answering
20 this question.

21 ADMINISTRATIVE LAW JUDGE: So did PERS divide it by
22 11?

23 THE WITNESS: Not precisely. So when we look at
24 the pay rate itself -- right? -- what we deduce from
25 this pay assignment is that the member's true base rate

1 of pay is technically 22.59 or 22.58929, within the pay
2 sample here.

3 So when we look at the increments of pay, no
4 matter how many days or how -- pretty much how many
5 months that, you know, Ms. Pelleriti worked, pretty much
6 in each increment per hour, even though she is a monthly
7 employee, for each hour worked or if she worked
8 overtime, she would be using the hourly rate, which is
9 22.59 to calculate each hour of her earnings.

10 So CalPERS is not saying, "Hey, we should take
11 the annual amount divided by 11 to take that as pay
12 rate." But simply we are saying that the base pay,
13 since it's truly at 22.59, therefore, the hourly
14 equivalent or the full-time equivalent or the monthly
15 for this is that we take 22.59 per hour times 173.33 to
16 come and arrive to the monthly pay rate, which is based
17 on a full-time equivalent at \$3,915.60.

18 ADMINISTRATIVE LAW JUDGE: Thank you.

19 THE WITNESS: You're welcome.

20 BY MR. GLAUBERMAN:

21 Q So there has been questions and answers about
22 the district's reporting and what CalPERS contends is
23 incorrect. I'm going to look up here, and I'm going to
24 highlight it, and we have a table that has base, days, a
25 week, hours a week, days a year, and months. Do you see

1 that?

2 A Yes, I do.

3 ADMINISTRATIVE LAW JUDGE: Tell me again what those
4 say. I can't read them.

5 MR. GLAUBERMAN: It says "Hours a day -- HRS a day,
6 days a week, hours a week, days a year, and months."

7 ADMINISTRATIVE LAW JUDGE: Thank you.

8 THE WITNESS: Would you mind repeating the
9 question? Sorry about that.

10 BY MR. GLAUBERMAN:

11 Q Does this assist in CalPERS's review and
12 determination like the one at issue?

13 A Yes, absolutely. And a multitude of things
14 here. So even though this member does work 40 hours per
15 week and their -- the Government Code 2063.1, although
16 it defines full-time is based on 40 hours per week, this
17 member actually does not truly work 40 hours per week
18 over the year.

19 And that's how we look at service credit when
20 we are computing the service credit and in a general --
21 you know, in a general sense. So when we look at
22 Government Code 20962, that is where the criteria to
23 define what -- what -- how can you earn a full-time
24 service. Right?

25 So in this particular case, if we know that a

1 member is working 209 days and at 8 hours per day, we
2 know that this member would actually not work 215 days
3 to earn a full service. So if the district is reporting
4 a monthly pay rate of \$3,795 per month, and as earnings
5 at \$3,795 as earning again, we are providing this member
6 for that period full service.

7 However, if we -- again, looking back at
8 Government Code 20962, 209 days is just -- although very
9 close at getting a full service, we are just about six
10 days shy in earning the full service in this particular
11 case.

12 Now, another way to kind of look at this is
13 that the member works 209 days, and if we take
14 209 days -- I'm just going to use my calculator really
15 quick here. If I take 209 days times 8 hours per day,
16 this member only works 1,672 hours per year -- or in a
17 fiscal year or academic year.

18 Again, referring back to Government Code
19 20962, to earn a full service, based on if we are
20 looking at an increment of hours, it does require
21 1,720 hours. Again, it's fairly close, just a little
22 bit shy, but the member is not getting a full service.

23 Q And I'm just going to bring up 20962 real
24 quick.

25 ADMINISTRATIVE LAW JUDGE: So does it say 1,700

1 in 20962?

2 MR. GLAUBERMAN: Your Honor, just for the record,
3 before Mr. Lau answers, I have A23 and A24 of CalPERS's
4 Exhibit 1, which is the original Statement of Issues,
5 which does include the text of 20962 of the Government
6 Code.

7 ADMINISTRATIVE LAW JUDGE: Yes. I'm looking at
8 that.

9 MR. GLAUBERMAN: Okay.

10 ADMINISTRATIVE LAW JUDGE: And I don't see 1,700.
11 Maybe I'm just missing it.

12 MR. GLAUBERMAN: Down at A -- sub A, part 4, Your
13 Honor, line 7 of page 8.

14 ADMINISTRATIVE LAW JUDGE: Oh, it's written out.
15 That's why I didn't see it.

16 Okay. Give me a second, please. Thanks.

17 BY MR. GLAUBERMAN:

18 Q Mr. Lau, I'm showing 20962 on the screen here,
19 and it says that on A, sub 2, someone can get a full
20 year service credit for 10 months of service if they are
21 employed on a monthly basis; right?

22 A Correct.

23 Q Was the sampled employee here employed on a
24 monthly basis? Do you know?

25 A Looking at the pay sample, the member is

1 employed under 10 months; however, this is based on a
2 full-time understanding on the district's end because
3 the member completed 10 months over 290 days over 8
4 hours versus, again, when we look at any computations,
5 again, you know, going back to decades of how we
6 administer our pension is that we look at it by fiscal
7 year purposes, and I think -- it's a little bit faint on
8 the screen. I think --

9 Q Where are you looking?

10 A Government Code 20962.

11 So when we look into service credit, it is
12 based on a fiscal year, so I think under subsection A,
13 "One year of service credential shall be granted for
14 services rendered and compensated in a fiscal year in
15 full-time employment."

16 However, for these particular purposes, this
17 member, although it's considered as 10-month under the
18 district level, but for CalPERS's purposes, it is not
19 based on 2,080 hours.

20 Q Why is CalPERS looking at 2,080 hours if this
21 statute says 10 months for a monthly employee?

22 A Correct. So under Government Code 20636.1,
23 again, we are basing classified school employees at
24 40 hours; although, it is much -- for example, for the
25 10-month, you only took 10 months to earn a full

1 service.

2 However, those additional months, month 11 and
3 month 12, you will still pay contribution into it, and
4 you still get to earn service credit, but it does cap at
5 one. The purposes of this is to help fund the -- fund,
6 you know, CalPERS, per se, in a general sense. And when
7 we look at final compensation, again, one of the factor
8 for final compensation for this purpose is we look at
9 the highest 12 consecutive months for the member.

10 So, hence, even though if someone were to work
11 full-time, 2,080 hours, that member would have already
12 qualified for school service at 1,720 hours, but you can
13 still continue to contribute, and the purposes, again,
14 for that is for final compensation purposes.

15 Q So when CalPERS is calculating someone's
16 service credit, do they just look at in isolation at
17 20962 to determine if someone can get a full year of
18 service credit?

19 A Generally speaking, yes. However, we also
20 look at how the payroll is reported in the system;
21 hence, another example is if we look at Exhibit 20, you
22 can see how -- let me get there really quick here. So
23 if we look at, let's just say, October of 2012 as an
24 example -- again, this is Exhibit 20 for Ms. Pelleriti.

25 Now, I know this included the longevity pay,

1 but let's just assume the \$4,002 is 3,795 per month,
2 it's going to be the same as an equivalent if we
3 subtract \$207.

4 As you see, for this particular case, we would
5 see that this member is earning .1 service, which is the
6 maximum amount of service that can be earned per month.
7 However, this is incorrect because even though the
8 earnings is right, however, the pay rate is reporting
9 inaccurate, and, therefore, it is inflating the member's
10 service credit in this example.

11 Q So are you able to tell what the service
12 credit should have been based on CalPERS's
13 determination?

14 A Yes. And if you'd like to follow, you can get
15 a calculator --

16 MR. MORRISON: Excuse me. Let me interpose an
17 objection.

18 There is no finding on the topic of service
19 credit in the audit. The audit deals exclusively with
20 pay rate, and I do understand from Mr. Glauberman's
21 opening statement that CalPERS believes there is some
22 issue of service credit. That is not part of the audit.
23 That is not what is being litigated today.

24 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

25 MR. GLAUBERMAN: First, the -- I believe -- I'm

1 going to find the actual page in the audit report -- but
2 it is expressly mentioned. It's also expressly included
3 in CalPERS's Statement of Issues at 20962 for service
4 credit would be raised.

5 So let's see here. I'm going to share my
6 screen for the Court's reference, and I'm on CalPERS's
7 exhibit -- I'm on page A37 of CalPERS's exhibit, and I'm
8 going to highlight that top paragraph, specifically
9 "Incorrect reporting could cause the following
10 miscalculation of a member's service credit." So it is
11 something that was raised as part of the audit.

12 MR. MORRISON: I'm sorry. Where?

13 ADMINISTRATIVE LAW JUDGE: Is that Exhibit 3?

14 MR. GLAUBERMAN: Oh, I'm sorry. Again, I'm not
15 sharing.

16 This, I believe, is the preliminary audit. I
17 believe it is Exhibit 3, the draft finding, and it
18 expressly mentions the miscalculation of a member's
19 service credit. And it's also CalPERS's further
20 contention from --

21 ADMINISTRATIVE LAW JUDGE: Okay. Let me make a
22 note of this, please. What page is that on?

23 MR. GLAUBERMAN: That is A37, Your Honor.

24 ADMINISTRATIVE LAW JUDGE: What does the audit say
25 about service credit?

1 MR. GLAUBERMAN: It says, specifically, "Incorrect
2 reporting could cause the following miscalculation of a
3 member's service credit." That's the first part --
4 that's the part of about service credit. This is the
5 draft report, I believe, but I think it's also in the
6 final audit report, if I'm not mistaken.

7 ADMINISTRATIVE LAW JUDGE: Okay. And you were
8 going to direct us to some place in the Statement of
9 Issues.

10 MR. GLAUBERMAN: I can do that, Your Honor, yes.
11 And I referred to it earlier during Mr. Lau's testimony,
12 but in addition to that, the Statement of Issues, I
13 believe page 8, top -- bottom of 7, top of 8, 20962 is
14 expressly referenced.

15 MR. MORRISON: Which document are we in now?

16 ADMINISTRATIVE LAW JUDGE: I beg your pardon?

17 MR. GLAUBERMAN: We're in CalPERS's 1, page A23 to
18 A24. I do have an amended Statement of Issues that we
19 filed, but it's not on CaseLines, and that also does
20 include 20962.

21 (Claimant's Exhibit No. 1 was marked
22 for identification by the Administrative
23 Law Judge.)

24 MR. MORRISON: Which page in particular are we
25 looking at?

1 MR. GLAUBERMAN: A23, the very bottom, top of A24,
2 or Statement of Issues pagination just 7 and 8. PERS
3 008 on PERS Bates stamp, sir.

4 MR. MORRISON: If I can respond to this, Your
5 Honor.

6 The Statement of Issues includes a number of
7 statutory references, including 20630 which does not
8 apply to school employees, including section 7522.34
9 that applies to new members who were hired on or after
10 July 1st of 2013, if I remember correctly, maybe
11 January 1st, 2013. It also includes 20962, but it's
12 essentially a recitation of CalPERS's statutes.

13 There is no indication that there is a
14 particular finding with respect to service credit, and
15 if we look at the audit report itself, Mr. Glauberman is
16 not citing to any of the specific findings. The finding
17 that we are appealing is finding No. 4, which is
18 identified as involving pay rate.

19 It is not identified as a finding that
20 involves service credit. The term "service credit" does
21 not appear anywhere in finding 4. And he's got a
22 general statement, the very beginning, that says
23 specifically, "Incorrect reporting could cause" --

24 ADMINISTRATIVE LAW JUDGE: Mr. Morrison?

25 MR. MORRISON: Yes.

1 ADMINISTRATIVE LAW JUDGE: Sorry. I got kicked off
2 of this. So I have not heard any of your response. I
3 guess no one noticed that I wasn't present.

4 MR. MORRISON: We could see you.

5 ADMINISTRATIVE LAW JUDGE: Really? I couldn't hear
6 you. So I'm back on.

7 So if you want to start over with your
8 response to Mr. Glauberman's argument, that will be
9 fine.

10 MR. MORRISON: All right. If I understand it,
11 Mr. Glauberman's contention is that service credit is
12 somehow included in this audit for two reasons.

13 The first reason is that there is a reference
14 in the very opening portion of the audit that says,
15 "Incorrect recording could cause the following:
16 Miscalculation of the member's service credit,
17 miscalculation of a member's retirement allowance,
18 delays in processing a member's retirement benefits,
19 inaccurate retirement estimates, incorrect payment of
20 benefits, and hardship to retired members due to a
21 reduction in benefits."

22 So there is kind of a laundry list of things
23 that could potentially happen. But when you look at the
24 actual findings in the audit, and the findings are --
25 they are specific conclusions.

1 Finding No. 4, which is the one that is being
2 appealed, speaks only of pay rate. It makes no mention
3 of any issue with respect to service credit. It doesn't
4 indicate that there was a misreporting of service
5 credit. It doesn't indicate that Ms. Pelleriti earned
6 more or less than the proper amount of service credit.
7 The issue is not addressed at all.

8 Mr. Glauberman then indicated that, well,
9 okay, there is a reference in Statement of Issues to
10 Government Code section 20962. But there's -- that
11 reference appears in a section that just simply lists
12 the text of a large number of CalPERS's statutes, some
13 of which have no application to this matter, whatsoever,
14 including, for example, Government Code section 20630
15 which refers to -- which addresses pay rate for
16 non-school employees.

17 There is no indication -- you would have to be
18 mind readers, and we are not mind readers. You would
19 have to be mind readers to determine from this that
20 there is any finding with respect to service credit.
21 And I will tell you, we did not understand from this
22 audit, nor should we have, there was any finding based
23 on service credit.

24 And so, frankly, I think there is an effort to
25 sandbag us by throwing in a service credit issue that

1 was no -- not indicated in any clear way in the audit.
2 It's not part of the findings that were issued. It's
3 not part of the findings that we appealed. It wasn't
4 called out in any way in the Statement of Issues, nor --
5 I'll say, this audit was issued in 2018, and there's
6 been quite a bit of correspondence back and forth that
7 has already been entered into evidence.

8 You know, we at no point have understood there
9 is a service credit issue with respect to
10 Ms. Pelleriti's reporting, and if CalPERS wants to, you
11 know, take that position, I think it would -- it was
12 incumbent on them to have clearly communicated that to
13 the district, and, again, they did not. And so this
14 issue of service credit is not relevant to the pay rate
15 issue that is identified in the audit.

16 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman.

17 MR. GLAUBERMAN: Well, I think -- sorry. Did it
18 again.

19 I think the testimony has been clear
20 throughout by CalPERS's witnesses today that you can't
21 just look at the pay rate in isolation, that there's a
22 specific relationship between pay rate and service
23 credit and pay rate and earnings, and those are all
24 interrelated and intertwined.

25 In addition to that, although the audit

1 finding does reference Ms. Pelleriti's underreporting
2 for CalPERS's purposes of -- underreporting for
3 CalPERS's purposes of the pay rate, there is also a
4 clear indication in the cover page for both the draft
5 audit and the final audit that it could affect service
6 credit.

7 So counsel is acting like he is being,
8 quote/unquote, "sandbagged" by CalPERS's position here,
9 but it's my understanding that this is something that
10 has been discussed previously between the entities and
11 was noted in the Statement of Issues. In addition to
12 that, Your Honor, I believe -- I believe that it's also
13 mentioned in -- let's see.

14 I'm on page A412, and that's in -- let's see
15 here. This is in one of CalPERS's publications that we
16 admitted into evidence. We've got a discussion on
17 full-time service credit in this document. This was
18 provided to counsel in discovery.

19 ADMINISTRATIVE LAW JUDGE: Let me ask you to look
20 at the Statement of Issues on page 12.

21 MR. GLAUBERMAN: I can do that.

22 ADMINISTRATIVE LAW JUDGE: The appeal is limited to
23 the issue of whether Respondent district incorrectly
24 reported full-time pay rates to CalPERS.

25 MR. GLAUBERMAN: Yes, Your Honor. I see that, and

1 it's CalPERS's position that full-time pay rate has a
2 direct relationship and correlation to service credit as
3 calculated by CalPERS.

4 MR. MORRISON: And, Your Honor, I believe that
5 counsel's last statement misstates the testimony. There
6 was testimony earlier today that pay rate is independent
7 of service credit, that if -- the example that I think
8 was discussed was a set of employees working side by
9 side, some working 20 hours a week, some working
10 30 hours a week, some working 40 hours a week.

11 The testimony was that if they were in the
12 same position at the same step and column, the same
13 range of the salary schedule, their pay rate could be
14 identical, but the service credit that each employee
15 received would be different, the compensation that they
16 would earn would be different, but, again, the pay rate
17 would be the same.

18 ADMINISTRATIVE LAW JUDGE: Well, it appears to me
19 that it's not up to me to decide whether service credit
20 was incorrect. Excuse me. Sorry.

21 The issue before me has to do with whether the
22 district incorrectly reported full-time pay rates to
23 CalPERS. Now, depending on what I decide, it's
24 possible -- I don't know -- it's possible that CalPERS
25 will do something with service credits. But if that

1 happens, and there is a disagreement over it, we may
2 have to file another case, but I don't think that is
3 this case.

4 So I sustain the objection that service credit
5 isn't at issue before me.

6 MR. GLAUBERMAN: Your Honor, is it your position or
7 your ruling that CalPERS cannot ask questions about the
8 effects on the pay rate reporting of the district as it
9 affects service credit?

10 ADMINISTRATIVE LAW JUDGE: Well, I'm not sure. I
11 think we have to hear the question.

12 BY MR. GLAUBERMAN:

13 Q Mr. Lau, is there an effect on service credit
14 related to the CalPERS's position of the underreported
15 pay rate in this instance?

16 A Yes.

17 MR. MORRISON: Objection. Relevance.

18 THE WITNESS: Sorry.

19 ADMINISTRATIVE LAW JUDGE: Overruled. He's already
20 answered that. He's already said that.

21 BY MR. GLAUBERMAN:

22 Q How does it affect the service credit?

23 A Yes. So if we refer back to what
24 Mr. Glauberman has referred back to Exhibit 18, under
25 A412, so this is a publication that we issued out as a

1 public agency and school reference guide as an example.
2 So this kind of provides how --

3 MR. MORRISON: I'm going to propose another
4 objection. Mr. Lau seems to be answering a question
5 pertaining to an audit that was conducted in 2012,
6 pertaining to compensation that was reported in 2012 and
7 '13 by referencing a document, CalPERS's Exhibit 18,
8 that was not issued until -- I'm sorry -- I'm looking
9 for the date. It looks like this document was issued in
10 July of this year.

11 THE WITNESS: If I may clarify or --

12 MR. MORRISON: I'm sorry. June of this year. The
13 document they're referring to, Exhibit 18, appears it
14 was June of this year.

15 ADMINISTRATIVE LAW JUDGE: So what is the
16 objection? Relevance?

17 MR. MORRISON: Yes.

18 ADMINISTRATIVE LAW JUDGE: All right. How is
19 this -- how is the content of this document relevant to
20 anything before me, Mr. Glauberman?

21 MR. GLAUBERMAN: Well, it's my understanding that
22 although this is a 2021 document, the relationship
23 between the underreporting of pay rate and individual
24 service credit hasn't changed from 2012 until now.

25 ADMINISTRATIVE LAW JUDGE: I don't think the

1 under -- I don't think the service credit issue is
2 before me. So I'll sustain the objection.

3 MR. GLAUBERMAN: All right.

4 BY MR. GLAUBERMAN:

5 Q Mr. Lau, there has been discussion of this
6 173.3 set conversion that has been discussed. Do you
7 recall that from testimony earlier today?

8 A Yes.

9 Q Are you familiar with the 173.33 discussion
10 for --

11 A Yes.

12 Q -- conversion that CalPERS uses?

13 A Yes.

14 Q Okay. And in this subject audit, CalPERS's
15 finding was that the -- how can I say it? -- the pay
16 rate was underreported; is that right?

17 A The monthly pay rate was underreported, that
18 is correct.

19 Q Why didn't CalPERS find that the hourly pay
20 rate was, in essence, overreported?

21 A The hourly pay rate, it is actually the true
22 base pay, and if the district does report, for example,
23 the 22.59 or \$22.59, that would actually be the correct
24 pay rate.

25 Now, if the districts choose to report a

1 monthly pay rate, then we are asking the district to
2 report a 40-hour equivalent, which is where we are
3 taking the \$22.59 times 173.33 to get to the \$3,915.60.

4 Q But isn't the district paying in this
5 situation the 3,795 a month? Isn't that the true pay
6 rate?

7 A No. From looking back at the pay sample, this
8 is, again, based on Ms. Pelleriti working over 209 days
9 based on 8 hours per day, and if we divide her annual
10 earnings over 10 months, that is truly her earnings over
11 the 10 months.

12 MR. GLAUBERMAN: Okay. Give me one second, Your
13 Honor. I think I'm almost through with Mr. Lau.

14 BY MR. GLAUBERMAN:

15 Q Mr. Lau, is there a relationship between
16 underreported service credit and an individual's
17 retirement?

18 A Yes.

19 Q I'm sorry. Strike that. I apologize.

20 Not underreported service credit, but
21 underreported pay rate and someone's retirement?

22 A Yes. So if -- so, again, when we look at
23 final compensation, we look at the -- you know, for the
24 school member, as an example, we look at the highest 12
25 consecutive months. So let's just assume that

1 Ms. Pelleriti earned a hundred percent of her pension,
2 and it is based on 3,795 per month, so, obviously, her
3 average, you know, we take that times 12, divided by 12,
4 it is still \$3,795.

5 However, let's just say the district reports
6 \$22.59 or \$3,915.60, that average would be -- I think it
7 was, like, \$120 higher. So it does have an impact on
8 Ms. Pelleriti's retirement. In this case, it would be
9 an increase if the district reported the accurate
10 40-hour converted monthly pay rate or the hourly base
11 rate at \$22.59.

12 Q How do you know that?

13 A I know that just by looking -- again, using
14 the assumption of that the member gets a hundred percent
15 of her retirement, and, again, if we have the average
16 at --

17 (Reporter interruption for clarification)

18 THE WITNESS: So if we assume Ms. Pelleriti gets
19 100 percent of her pension, that means she gets -- her
20 formula is at 2 percent. So that means, let's just say,
21 she worked 50 years and she gets a hundred percent of
22 her pension, and also assume that if she earned her
23 highest 12 consecutive month average, and let's say it
24 is \$3,795 versus the accurately converted 40-hour
25 monthly pay rate at \$3,915.60, automatically speaking,

1 we know that the \$3,915.60 amount is about \$120 higher.

2 So in this case, the member with the accurate
3 reporting on the 40-hour converted pay rate, she would
4 be receiving a higher pension amount.

5 MR. GLAUBERMAN: I have no more questions for
6 Mr. Lau.

7 ADMINISTRATIVE LAW JUDGE: Mr. Lau, I'm sorry, but
8 I did not understand why the monthly pay rate is not a
9 true pay rate, but hourly pay rate is the true pay rate.
10 What causes the monthly pay rate not to be a true pay
11 rate?

12 THE WITNESS: Absolutely. So if I can direct you
13 back to the pay sheet. I believe that is Exhibit 14,
14 under A384. Again, this kind of goes back to how
15 CalPERS administered the pension payment for -- you
16 know, for any pension benefit.

17 So for this particular example, Ms. Pelleriti
18 is a classified school member. So, again, for the
19 full-time basis is considered at 40 hours. So if the
20 district actually reported the \$22.59 as the hourly pay
21 rate, we would -- when we actually calculate for the
22 benefit, we always look at, okay, what is the highest 12
23 consecutive month average?

24 So what CalPERS would do when figuring out
25 that particular pay, we would actually do the conversion

1 when we calculate the benefit. So that means we are
2 taking \$22.59 times 173.33, which equals to the
3 \$3,915.60. That is the amount as called out in the
4 audit. So whether they either report that amount as a
5 monthly or as the hourly pay rate, we would actually
6 convert that accurately into benefit payment.

7 However, the district is currently
8 reporting -- again, we are not talking about the
9 longevity. The district is technically reporting
10 \$3,795, so automatically right there, the member is
11 being, you know, lowered in the final compensation
12 purposes.

13 ADMINISTRATIVE LAW JUDGE: All right.
14 Mr. Morrison, I assume you have some cross-examination;
15 is that right?

16 MR. MORRISON: Yes, Your Honor.

17 ADMINISTRATIVE LAW JUDGE: I ordinarily would be
18 perfectly willing to stay past 5:00, but I need to try
19 to touch base with this person at OAH, and so we're
20 going to recess for the day.

21 And, Mr. Lau, can you come back tomorrow?

22 THE WITNESS: Absolutely.

23 ADMINISTRATIVE LAW JUDGE: Very well.

24 (Proceedings adjourned at 4:50 p.m.)
25

1 REPORTER'S CERTIFICATE

2
3 I, Tracy A. Terkeurst, CSR No. 8180, RPR, a
4 Certified Shorthand Reporter within and for the State
5 of California, do hereby certify:

6 That said hearing was taken before me at the
7 time set forth and was taken down by me in shorthand and
8 thereafter reduced to computerized transcription under
9 my direction and supervision, and I hereby certify the
10 foregoing hearing is a full, true, and correct
11 transcript of my shorthand notes so taken;

12 I further certify that I am neither counsel
13 for, nor related to, any party in said action, nor in
14 any way interested in the outcome thereof.

15
16 Dated this 1st day of October, 2021.

17
18 

19
20 Tracy A. Terkeurst, CSR No. 8180, RPR
21
22
23
24
25

	223:4,24 225:10	212:17,21	11-month 202:13
<u>\$</u>	\$3,915.599 31:22	1's 173:1	12 28:20,23 40:19, 23 59:6,13,17,24 60:21,24 61:10 66:3 67:4 68:18 79:23 80:13,15,17 87:2,11,13,16,17, 23 88:18 112:24 182:19,20 183:2,4 185:16 193:7 196:8 209:3,9 217:20 222:24 223:3,23 224:22
\$1,600 76:12	\$3,915.60 13:23 14:1 204:17 222:3 223:6,25 224:1 225:3	1,672 206:16	
\$1,625 66:8,11 68:25 75:20	\$37,950 200:21 201:15	1,700 206:25 207:10	
\$1,700 76:13	\$4,000 127:12,13	1,720 206:21 209:12	
\$1,733 65:25 66:10 75:22 80:4	\$4,002 148:12 199:21 210:1	1,733 66:21	
\$1,733.33 59:23 68:12	\$4,033 151:24	1,733.33 59:25 109:14	
\$10 59:18,21 65:22,24 66:5,20 68:4,10 75:20 76:11 80:3,4 109:13	\$4,122 32:22 33:6 34:2	1,950 68:18	12-'13 82:20,21 105:14,19 195:11
\$100 66:14	\$5,000 96:19	1/2 62:20 66:2,7 67:22 68:15,16 76:21,22 116:13	12-month 203:6
\$108 68:25	\$50 66:15	10 19:5 32:14 79:20,23 80:20 86:4,18 87:1,9,15, 18 166:16 168:7, 10,18 170:18 171:15 175:19 176:5,6 178:14 201:17 203:13 207:20 208:1,3, 21,25 222:10,11	120 168:9
\$120 33:18 223:7 224:1	\$6,000 96:17	10-month 51:23 87:18 201:16,19 203:2,17 208:17, 25	121 6:22
\$160 76:12	<u>(</u>	100 34:18 88:20 223:19	123 6:20
\$170 88:21	(b)(1) 46:16 61:16, 21 99:24 106:19 109:15	100-plus 88:20	125 167:4
\$2,167 87:15	<u>-</u>	101 4:4	127 168:9
\$2,383 88:19	-and- 3:9	102 166:15	12:13 98:23
\$2,600 87:5,12	<u>0</u>	103 6:15	13 83:7 177:9 183:7,8,15,17 184:6 185:16 220:7
\$207 144:14 148:18 210:3	008 213:3	105 145:23	133 59:3
\$22,750 87:4	06 89:1	106 6:18	135 4:5
\$22.5875 29:15	<u>1</u>	11 5:21 32:14 33:22 51:24 79:23 80:20 86:3,13,14, 15,18 87:9 88:15, 18 176:4 182:5,6, 14,16 201:20 202:12 203:13,22 204:11 209:2	138 5:6
\$22.59 30:17 68:2 221:23 222:3 223:6,11 224:20 225:2	1 46:15 103:10,12 123:21 171:10,17, 18,24 172:1,8,21, 25 173:9,12,23 174:6,10,11 176:5,11,12 177:3,4,5 178:17, 23 179:20,21,22 181:8 207:4 210:5		14 94:14,19 97:22 182:21 183:20,21 184:7,8,9,10 199:9 201:24 224:13
\$3,000 49:17 50:7			147 5:6
\$3,200 63:13			15 6:6 89:13,15 91:15,16,18,19 106:8,9 114:6,16 115:25 183:9
\$3,750 110:18 111:1 148:20 192:5 193:2			153 5:8
\$3,795 23:11 32:24 33:16 189:10 190:2,21 191:15 206:4,5			157 5:8
			158 5:10

159 5:10,12
16 6:7 93:16,20
94:18,22,24 114:6
117:18,19
162 5:12,13
162.5 66:4 67:22
162.50 68:18
164 5:13,15
166 5:15
167 5:17
168 5:17,19 24:9,
25 25:3,5,10,14,
19 26:16
168-hour 26:6
17 45:24 47:1 80:3
95:6,19,20 97:7,
12,15,16 114:6
118:16
172 6:15
173 60:9 65:24
114:22 115:4,14
116:7 117:1 196:7
173.3 221:6
173.33 16:16,20,
25 17:12 18:5
26:8 27:8,18
28:25 29:9 31:12
35:6,9,14 36:7,15,
19,23 37:12,24,25
38:8 39:23 40:3
58:8,10,12,19,24
59:6,21 60:5,16,
18,22 64:5,12,16,
25 66:21 68:11
89:5 112:1,10
113:2,12 114:7,23
115:13 117:12,16,
22 118:1,15,21
119:15,17 120:3,
11,25 122:13
125:25 126:2,7,
12,17,25 128:14,
23,25 129:4,9
130:1 149:5
152:15 194:14
195:1,22 196:3
204:15 221:9
222:3 225:2
173.333 149:9
193:11 194:22
196:10
173.3333 31:18
150:22 151:13
174.33 120:1
18 5:6,11,14 6:10,
17,20 45:24 97:22
123:4,5 163:19
184:13,14 185:3,5
219:24 220:7,13
182 5:21
183 5:22,23
184 6:4
185 6:10,13
187 6:13
188 4:5
19 5:16 6:12 45:24
80:25 81:5 97:22,
25 98:3,16,17
165:3
19.50 66:3
1930's 119:4
197 4:6
1:15 99:16
1st 213:10,11

2

2 2:19 6:20 7:1,14
64:22 112:23
123:21 174:21,23
178:1 207:19
223:20
2,008 28:17
2,080 28:17,18,20,
23 60:21 193:8
196:8 208:19,20
209:11
2,600 87:15 88:15,
18
2,800 69:13 77:11
2,800-plus 71:12
20 6:13 30:5 42:12
45:24 74:25 102:6
177:9,13,22
178:22 185:8,10
186:13 187:8,12,
14 199:24 209:21,
24 218:9
200 28:5
2005 6:6 83:7
91:10 94:8
2006 135:4,7,17
2007 43:7,25
2008 28:13
2011 94:14,19
136:7
2012 32:16 83:7
122:6 142:8 144:1
201:22 202:6
209:23 220:5,6,24
2012-'13 19:12,16
150:19 189:9
190:1
2012-13 6:17
2012-2013 5:21
186:21
2013 149:14
152:21 182:21
201:22 202:7
213:10,11
2013-2014 5:22
2014 136:11 153:2
183:9
2014-2015 5:23
2015 136:11
20160 133:9
2018 5:7,9,11,12,
20 12:10 82:5
137:19 138:23
143:1 146:22
153:17 160:17
161:8 174:12
216:5
2018-2019 6:17
2019 5:12 19:5
161:8 162:1
163:19 166:16
2020 6:7,8 55:23
97:7 118:13 165:3
2020-0436 2:8
7:12
2020090431 2:9
7:13
2021 2:19 7:1,14
176:5,12 220:22
2063.1 205:15
20630 213:7
215:14
20636 45:20 46:4,
20
20636(b)(1) 60:8
20636.1 45:20
46:5 48:17 57:15
58:5 60:6 65:11
69:22 75:10 76:25
78:22,25 79:5
89:8,10 92:11,13
94:7 99:24
106:13,19 109:4,
16 111:22 113:5
124:16 141:9
202:12 208:22
20636.1(b)(1)
45:18 46:21
111:3,24
207 148:13,14,21
209 52:2 206:1,8,
13,14,15 222:8
20962 51:8 53:2
205:22 206:8,19,
23 207:1,5,18
208:10 209:17
211:3 212:13,20
213:11 215:10
21 5:18 25:18,19
42:14,21 43:10,16

47:1 50:2 156:1
174:9 176:10,25
177:3,10 178:23

21-day 43:22

21.6 40:24 42:25

21.66 42:10,22

21.6667 156:7

21.667 70:12

21.67 40:22,25
42:10 88:19

21.75 42:24

212 5:4

215 129:22 206:2

22 6:6 42:24 91:10
156:2 162:1

22.5 31:6

22.58 24:12,18
150:20

22.5875 24:20
29:8

22.58929 204:1

22.59 29:8 31:2,17
151:8 204:1,9,13,
15 221:23

23 13:7 156:2

236 169:8

237 175:20

24 88:13 201:21
202:6

24th 202:25

25 6:22 121:15,19
178:5

26 13:3 86:13
174:25 177:25
178:6 179:14

260 27:24 28:5,8
37:2,5,17,22 38:5,
16,24 39:2 40:2,
17,23 70:6 120:22
121:1,7 122:10,
13,16

260-day 40:17

261 37:6,23
120:21 121:9
122:9,16

262 37:6,23
120:22 121:10

27 160:18 178:2,6

28 153:1 177:14
178:3,6 180:1
201:22 202:7

290 208:3

2:00 10:9

3

3 5:6 13:2,6,10
32:14 33:22
123:20 138:14,17
147:7,15,17,19,21
148:1 174:22,24
178:3 211:13,17

3's 31:15

3,000 63:14 96:18
189:8 190:1

3,790 191:22

3,795 23:10,21
24:3,5 33:23
34:14 148:22,25
150:11,23 152:9
189:13 190:13
192:9 195:10
200:23 201:8
210:1 222:5 223:2

3,915 32:17
150:23 151:3,13
152:12,16

3,915.599 31:20

3,915.60 15:19
34:15 149:6
192:10,15

3,916.15 192:14

30 57:8 176:12
218:10

30-hour 102:8

300 3:11

31 32:16 144:1

31st 202:25 203:5

3333 31:15

33F 150:9,10

35 62:13,16,20
66:25 67:13

36 20:9 21:10,17
23:7,10,13 24:16
29:17,23,24 30:7,
8,10,11,17 59:16

36F 20:15,17

21:10 29:5,14
30:11 110:17
151:10,11

37 62:20 66:2,7
67:14,22 68:15,16
76:21,22 116:13

37,950 189:13
203:12

37-1/2-hour
127:18

37-hour 116:11

37.5 66:22,24

370 116:12

374 90:1

375 116:12

376 93:18 183:11

379 95:14

382 183:8,11

384 183:23

3915 144:2

395 89:13

396 89:23

398 93:17 184:19

3:00 10:9

4

4 5:8 12:15,24

13:20 32:5 52:4
103:10,17 144:13
146:13,17 148:1,
4,7 150:25 151:14
152:6 153:5,7,25
154:5 157:6,10,
11,14 161:13
188:9 207:12
213:17,21 215:1

4,000 127:17

4,002 144:6,13
145:7 148:19
152:7 190:15
199:23

4,022 34:5,10

4,033 149:12
152:22

4,033.10 149:1,5,
7 152:23

4,122 32:16 33:22
34:9,17

40 47:22,23 58:18
59:3,5 60:14,16,
18,20,23 61:8,19
62:24 64:9,10,12,
13,19 65:10 68:17
69:19,22 74:24
75:10,11,12,13,21
76:19 77:2,4
78:21 100:7,8
102:9 104:14
108:1,4,7,14
111:10 112:24
115:2 116:16,18
118:23 127:4,23
129:15,22 155:23
188:13,15 191:16,
25 193:6 196:7
205:14,16,17
208:24 218:10
224:19

40-hour 62:19
67:9 69:2 78:7
89:5 104:7,17
115:7 116:10
142:2 192:21
222:2 223:10,24
224:3

400 95:13 114:22
115:6 116:1,2,9,
16,23

40s 119:4

415 184:21,22

423 81:1 98:2

43 138:15

44 139:14

442 84:18

445 86:21

446 87:25

45 98:23 141:18

48 143:9

487 173:10

488 171:9 178:25

4:50 2:18 225:24

5

5 5:10 27:23,24
28:8 37:22 38:15
158:8,10 159:6,9,
10

50 90:14 223:21

52 27:22,24 28:5,8
37:4,18,19,20,21
38:13 59:5 60:21,
23 61:9 66:2 67:4
68:17 69:9,24
70:2,4 112:24
120:16 122:8
193:7 196:8

52-week 120:12

54 147:6

55 4:4

570.5 141:10

571 145:21

571.1 145:22

59 153:6

595 19:19

5:00 225:18

6

6 5:8,12,20 88:12
159:16,18 160:21,
22 162:5,8,10
174:12

60 30:4

600 63:1

63 154:2

64 169:3

69 158:9

7

7 6:17 18:17,18,20
19:2,15 20:1
45:17,24 51:10
105:4 121:13
162:14,19 163:24
164:13,15 166:5
207:13 212:13
213:2

74 159:16

7522.34 213:8

76 88:19

77 161:3

8

8 6:7,8 25:18,19
28:5,13 38:18
51:11 73:7,8
88:12 97:22
118:13 164:19,21
166:6,8,12,21,22,
24 206:1,15
207:13 208:3
212:13 213:2
222:9

8-28-20 5:5

80 162:15

800 63:1

81 6:12

8180 2:21

89 6:6

894 179:1

8th 97:7

9

9 167:3,6,25 168:2,
3 174:3

90703 3:12

91 6:6

93 6:7

94 6:7

94229 3:5

942707 3:4

95 6:8

95-plus 69:18

950 191:22

97 6:8

98 6:12

9:00 7:14

9:12 2:17 7:2

A

A's 178:1

a.m. 2:17 7:2,14

A1 173:15,22
174:17,21 176:12,
19,23 177:8,23
178:21,23 179:14

A11 103:16

A118 167:4

A119 176:5

A120 168:8,9

A13 174:21
176:12,19,23
179:13

A16 172:20 173:3
179:11,22,25

A17 179:12

A19 13:3

A2 51:14 173:15,
22 178:23 179:6

A23 207:3 212:17
213:1

A24 207:3 212:18
213:1

A28 172:20 173:3
179:22

A3 179:7

A35 138:14 148:1

A356 176:5

A358 182:10

A36 138:15

A366 182:10

A367 182:20

A368 182:21,23

A37 139:13 211:7,
23

A374 177:8
182:23

A375 183:8

A38 141:17

A384 199:9
224:14

A387 183:23

A388 89:12

A389 89:24

A391 93:16

A393 95:13
118:12

A397 184:19

A41 143:8 148:10
150:25 151:14
152:6 170:24

A412 217:14

219:25
A416 80:25 98:2
A435 84:17
A438 86:20
A439 87:25
A47 147:6
A479 174:18
185:9
A5 179:9,10
A52 153:5
A56 154:2
A62 158:8
A67 159:16
A70 161:3
A73 162:15
A95 166:15
absolutely
198:24 201:11
202:6,22 205:13
224:12 225:22
academic 192:4,5
206:17
accepted 128:2
access 169:25
170:25
accessible 97:2
accordance
70:23 76:8
account 56:3,4,
24 85:12 121:5
142:14,17 197:24
accounts 56:5
accurate 37:14,
16 38:2 53:21
63:6 91:10 94:12,
14 97:8 120:21
121:2,8,9,12
124:5,6 130:14
139:11 141:5
145:1 146:21,25
156:20 157:6
159:3 160:16
161:25 163:19
165:21 166:8
167:21 223:9
224:2
accurately 47:4
50:14,22 53:18
192:18 223:24
225:6
achieved 141:15
acknowledgment
43:13 167:5,16
acquired 83:4
Act 43:19
acting 217:7
action 142:11
active 36:21
113:9 143:16
actual 47:3 54:2
68:7 85:11 88:11,
14 121:2 136:21
137:5 138:15
148:19 169:16
174:1 191:12
211:1 214:24
actuaries 73:13
add 34:1 61:17,23
87:12
addition 29:24
48:23 50:17 52:14
128:6 146:1
212:12 216:25
217:11
additional 27:2
145:19 146:4,9
160:9 177:12
209:2
address 8:20
90:17
addressed 8:24
165:3 215:7
addresses 16:5
215:15
adhere 93:6
adjourned
225:24
adjusted 17:25
adjustment 18:1,
2
adjustments
187:4
administer 54:24
142:15 208:6
administered
224:15
administrative
2:4,20 7:5,6,8,13,
21 8:1,7,12,17,23
9:8,20,24 10:15
11:6,12,16,20
12:1,6,22 13:4,8,
14,16,19,24 14:2,
6,12,15,21,23,25
15:3,16,21 16:20,
22 17:6,11,14,19
18:7,16,22,23
19:9,13,18,20,24
20:3,6,13,17,21,
25 21:9,16,20,23
22:7,13,16 23:1,
12,16,20,23 24:4,
10,19,23 26:1,13,
16,21,24 27:6,10,
17,20 28:2,7,11,
15,17,19,22 29:2,
11,16,22 30:6,12,
15,22 31:4,9,11,
19,22 32:2,6,13
33:2,7,10,14,17,
21,25 34:4,8,11,
17,20 35:19 36:2,
17 37:7,10,15
38:3,9,14,17,19,
22 39:3,8 40:5,9,
11,14,23 41:1,15,
20 42:11,15,19
43:4,12 45:4,7,21
46:1,14,19,22,25
47:7,16 48:1,4,8
49:3,6,18,21 50:9
51:5,17 52:22
53:11,22 54:9,13,
18,21,24 55:5,8,
11 57:21 58:1,23
59:2,4,7 60:3,12,
17,23 61:1,14,18,
24 63:20 64:4
66:19 67:17 68:3,
8,13,21 69:1,4
71:6 74:12,15,23
75:4 81:6,8,11,20
83:1,9 84:2,12
89:16 91:16,18,20
92:10,16,20 93:1,
21 94:11,19,22,25
95:3,8,17,21 96:7,
10,21 97:4,13,15,
17,25 98:3,13,18,
22 99:2,11,14,17,
20 100:25 101:9,
15 103:1,4,7,14
104:24 106:11
107:9 109:1,9,15,
19 110:4,12
112:4,8,17 113:18
114:11 115:24
116:16 118:16
119:25 121:16,21,
22 123:7 124:21,
25 125:10,13,17
126:3 130:19,22
131:2,6,20,24
132:2,5,10,12,20
133:13,16,19,24
134:2,5,8,12,17,
20,24 135:6,14
138:18 147:16,19,
22,25 148:3,6,10,
21,24 149:11,15,
18 150:8,11,14,
18,21 151:6,10,
12,17,23 152:2,5,
18 153:9 157:11,
13,15,20,24
158:2,11 159:7,9,
11,19 160:22
162:8,11,20
164:2,13,16,23
166:6,22,25 167:8
168:2,4,12 169:8,
19 170:20,24
171:17,20,24
172:2,10,18
173:2,5,14,24
174:5 175:6,18,23
176:2,17,24
177:7,18 178:9

179:3,6,8,11,15
180:7,12,15,20,25
182:4,11,14,18,
19,24 183:2,6,7,
12,15,19,20,24
184:4,7,9,12,13,
21,23 185:3,7,8,
12,21 186:5
187:9,12,15,17,23
188:2 189:21
190:4,7,12,23
192:14 196:15,19,
24 197:2,6,11,14,
17 202:4,16
203:8,21 204:18
205:3,7 206:25
207:7,10,14
210:24 211:13,21,
24 212:7,16,22
213:24 214:1,5
216:16 217:19,22
218:18 219:10,19
220:15,18,25
224:7 225:13,17,
23

administrator
42:6 52:11 157:3

administrators
156:19

admission 98:5
181:21 182:12
183:13 184:5

admit 164:10
170:18 178:16

admitted 94:18
97:12,22 157:10
159:6 160:21
162:5 163:24
166:12 167:25
174:2 179:19
187:8 217:16

admitting 181:19

adopt 39:19

adopted 39:18

advise 156:10

advising 181:12

affect 73:21

76:13,15 102:20
202:15 217:5
219:22

affects 219:9

afternoon 10:4
99:22 101:19,20
181:4

age 60:2

agencies 44:23
49:1 52:20 53:16
71:11 72:11 73:21
82:7 95:25 136:17
140:11 142:20
143:6 156:10,14
169:3 170:8,12,
15,16 178:15
200:4

agency 6:10 9:11,
12 10:24 11:7,9,
13 32:15 41:4
53:19,25 62:6,10
69:21 71:4 136:2
137:18,24 138:3
139:20 141:12
142:12,24 143:2,
14 144:5,9,10
145:9,14,25 147:9
148:12,18 153:14,
17 155:5 158:23,
25 160:2,10
161:9,11,17
163:13 166:9
184:15 185:15
198:13 200:17,19
220:1

agency's 141:3
142:7 162:25
189:12

agent 41:25 43:23

agents 42:2 56:17

agree 101:6
115:18 117:15,21,
25 118:14,20
120:14,15 123:12
125:4,25 127:7

agreed 120:22
175:9 176:15
178:16

agreeing 176:16

agreement 9:1
136:2 175:14

agreements
198:18

agrees 171:7

ahead 21:24 23:1,
23 56:23 81:12
84:14 89:12
121:24

Alane 104:21
105:1 148:11
186:20 188:9

align 109:7

aligning 96:4,8,
12,13,14

alleviate 166:18

allowance 58:22
59:13 63:7,12,13
66:9,10,15,16
214:17

allowed 50:15
58:15 62:23 86:7
157:1,2

alphabetical
170:22

amend 45:13

amended 51:10
60:8 212:18

amount 17:24
23:10 24:11,18
27:3 29:6,14
30:25 31:1 32:22,
23,25 33:6 34:2
35:7,10 49:9,23
52:3,19 68:19
69:25 76:24 80:16
107:1,16 110:18,
19,23 111:15
127:7,24 128:7,
19,20,21 129:18
145:10 148:17
149:7 150:7
151:25 156:8
189:16,18 190:18
191:2,4,7,8,11,22,
23 192:5,11,20
193:3 194:15,24
195:3,5,17,23,24
196:2 201:17
204:11 210:6
215:6 224:1,4
225:3,4

amounts 16:14
22:4,5 49:25

analyst 136:14
137:17,24 158:21
161:9 198:25

analysts 135:18

ANDELSON 3:7

annotations
173:13

announce 90:11

annual 6:22 57:20
195:5 200:9,20
201:14,15,17
204:11 222:9

annually 73:12

answering
203:19 220:4

answers 204:21
207:3

Anthony 4:4
14:11 54:15 55:3,
10

anticipate 10:3

anytime 202:19

apologies 124:24

apologize 95:19
149:17 222:19

app 169:25

apparent 83:17

appeal 2:7 5:15,
18 7:10 8:13 45:2
54:11 164:7
165:6,7,12,14,16,
17 166:2,9 167:5,
16 170:19 199:3
217:22

appeal's 199:6	141:4	assumption	146:12,21 147:1, 13 149:21 150:4 153:15,16,22,25 154:4,6 155:10 156:12 157:7 158:17 159:3 160:13 165:7,18, 25 168:25 169:4, 11 170:7 171:5,14 174:3,4,5,12 175:19 176:13 177:23 178:2,15, 24 179:23 188:8 193:18 194:3 197:25 198:8 199:2 210:19,22 211:1,11,16,24 212:6 213:15 214:12,14,24 215:22 216:1,5, 15,25 217:5 220:5 221:14 225:4
appealed 215:2 216:3	areas 184:17	25:18,19,22,24,25 26:5,17 28:4 37:17 38:12,16,24 40:3,20 43:22 121:1,7 223:14	
appealing 213:17	argue 61:2 83:10, 12,13 84:9 115:14	assumptions	
appearance 7:17, 22 8:2	argued 100:22	37:13,14 38:1,11 39:24 40:1 44:11	
APPEARANCES	arguing 42:23 48:12	ATKINSON 3:7	
3:1	argument 39:10 48:11 84:3 100:22 124:22 214:8	attached 140:1	
appearing 8:5	arrange 39:18	attachment	
appears 13:6 25:11 82:19 83:21 106:13,15 118:12 165:2 215:11 218:18 220:13	arrive 64:5 112:19 204:16	164:8	
applicable 125:5 126:1	arrived 27:18 119:1	attachments 5:6 165:25 166:9	
application 48:17 65:15 83:8 215:13	artificially 76:18 102:19	attempt 115:20	
applied 17:22 70:4 78:11 113:9 118:1 126:7,10,11	assigned 115:9 136:1,16 137:23 163:9 174:19	attempting 39:20 88:4	
applies 123:13 124:7,16 125:1 213:9	assignment	attendees 82:3	
apply 18:3 42:3 56:14 93:15 124:20 126:17 139:23 142:18 213:8	102:8 183:22 192:21 199:14 201:25 203:25	attending 169:23	
appointment	assist 138:3 205:11	attention 39:4 64:6 90:13 96:20 106:19 127:2,18 158:8 162:14 167:4	audit's 77:23
10:25	assistant 163:8	attorney 3:3,8,10 163:12	audit/client 198:6
appointments	assume 26:7 27:10,21 101:13 103:21 110:24 127:25 130:15 132:22 210:1 222:25 223:18,22 225:14	attorney's 15:7	audited 12:11 23:5 198:13
56:21	assumed 29:23 120:12	attorneys 149:16	auditor 153:18
approached 44:5	assumes 37:2 38:4 43:10 122:13 128:24	audit 5:6,8,19 6:5 9:13 11:8 12:12 13:12 22:20 23:6 26:10 35:24 36:8, 10 44:6,9,20 52:24 53:4,9 78:1 82:19,20 83:22,25 96:19 102:21,23 103:11 126:19 127:11 128:10,15 130:8 135:20,22 136:4,8,10,13,15, 16,19,22 137:3, 10,13 138:7,15 139:2,22,25 140:6 141:2,16,21,23 142:21 143:4,11	auditors 17:20 22:6 129:2 137:7 140:9 142:12 143:22 145:6 147:9,10,11 154:18 158:18 199:13
appropriately	assuming 37:4, 11,18,21,23 39:4 40:17,18,22 99:8 131:8		audits 70:25 72:15,20,21 77:22 136:1,16 140:8 198:7,15
156:23			August 5:8 32:16 79:13,14,15 80:2, 3,5 86:12 87:7 88:6,10,11,12 144:1 149:14 176:12 201:21 202:6
approximately			authority 156:18
33:18 57:7 62:25 175:20			automatically 223:25 225:10
April 5:12 161:8 162:1			
arbitrary 38:23			
area 56:9 137:7			

availability 99:7

average 58:12

59:15,25 61:12
62:12 63:12

70:10,12 115:5
121:6 156:6 196:9
223:3,6,15,23
224:23

aware 44:2 48:14

50:18 108:15
113:10 125:9
132:3 133:22
137:20

B

B1 174:23

B10 174:24

back 10:2,6 11:18

12:6 14:9 15:11
17:6,7 29:13 37:8
42:15 45:7 54:22
57:8,22 66:19
72:19 77:8,19
82:14 89:1 92:6
99:16,20 113:22
114:8 119:3,4
120:9 132:25
142:8 147:25
148:3,13,21 158:2
161:7,17 163:10
178:5 187:20
189:22 206:7,18
208:5 214:6 216:6
219:23,24 222:7
224:13,14 225:21

backed 152:7

background

163:3

backup 158:21

bargained

131:12,19

bargaining 16:6

100:20 131:15,18
182:7,22 183:10

base 15:22,23

65:21 71:22 72:3

145:14,19 146:2
148:19 203:25
204:12,24 221:22
223:10 225:19

based 38:1 43:16

44:11 51:25 52:2,
4 62:15 65:6
66:10 73:6,24
75:13 76:10,22,23
77:4 78:21 82:13
84:23 85:16 86:17
87:23 103:23
108:22 109:4
111:21 112:22
114:25 116:13
120:11 121:1,3,9
142:1 152:23
156:5 157:1
165:12 175:7
179:25 192:21
196:6 199:14
200:8 201:2,7
204:16 205:16
206:19 208:1,12,
19 210:12 215:22
222:8,9 223:2

basic 58:10

basically 9:16

56:17 64:15
143:13 161:15

basing 208:23

basis 17:16,18

43:1 51:15 53:20
54:8 73:14 107:24
111:11 127:11,23
207:21,24 224:19

Bates 89:25 93:19

178:18,21,23
179:22 213:3

Bates-stamped

13:7 32:5 122:4
174:17

Bates-stamping

106:16 118:11

beg 130:19 151:6

179:12 212:16

beginning 51:10

98:1 114:20

166:15 213:22

begins 13:9,10

138:15 162:15
168:7 182:21

behalf 7:19,25 8:5

55:4 134:16
160:17 163:14
197:10

believes 150:3

210:21

benefit 57:17 60:2

145:3 146:3,6
224:16,22 225:1,6

benefits 52:12

56:7,9,12,15
57:24 70:21
214:18,20,21

big 42:3 52:10

84:19,20

bigger 159:17

binder 199:9

binding 36:20

bit 40:7 51:4

101:21 135:12
137:20 161:12
163:4 165:9
175:16 181:3
199:22 206:22
208:7 216:6

blindsided 44:8

board 52:17 83:3

136:15 158:18

bolts 45:11

bottom 82:6 90:1

93:19 95:14 117:9
154:24 158:20
165:11 212:13
213:1

box 3:4 123:18

boxes 146:18

Brad 163:8,20

branch 14:20,24

15:2 55:20

break 61:6 95:9

98:23 157:18

bridge 198:14

briefing 133:12

briefly 151:22

169:2 172:5
181:11

bring 10:6 81:3

150:16 206:23

brings 174:11

brought 90:13

161:1 174:11

build 70:25

built 25:20 37:13

39:23 40:21 64:20
70:16,18,22 72:15

bunch 19:7

bundle 180:19

bundles 180:16,

17,22,23 181:1

burden 77:15

132:22,24 133:1,
4,17

bus 62:4,22

business 49:1,8

57:19 64:21,23
70:15,16,18,21
77:10,23 123:1
155:23 163:6

C

C-A-M-A-C-H-O

134:23

C1 174:24

C3 174:24

CA 6:18

cafeteria 62:4,22

Cal 52:4

calculate 59:11

63:6 67:1,25
75:17 112:15

204:9 224:21
225:1

calculated 35:16
38:7 63:18 73:12
75:20 108:22
112:11 156:25
218:3

calculates 56:8
69:3

calculating 43:2
58:20 209:15

calculation 61:13
65:6 68:12 69:17
74:16,22 108:2
112:12 121:3
146:6 150:6
152:22 163:5

calculations 63:5
70:3,5,19,22
72:21 87:18 145:3
149:8 156:25
196:6

calculator 23:25
24:4,6,12 31:17
206:14 210:15

calendar 120:15
121:2 122:6

Calendars 6:22

California 2:2,3,
23 3:4,11 6:20
7:1,7,9 57:19 63:2
91:14 123:21
145:21

call 7:10 10:19
66:24 81:9
122:18,21 132:14
143:12 196:25
197:5

called 15:11
41:12,17 55:4
60:13,15 64:6
70:14 86:5 134:16
178:17 179:19
180:15,17 197:10
216:4 225:3

calling 174:6
191:24

calls 60:10 124:10
125:7 161:16

Calpers 3:2 5:10
6:15 7:20 9:1,6,9,
12 12:11 14:20
16:1,11 22:21
25:21 26:6 28:25
29:5,9 34:15 35:3,
10 36:13,24 39:16
40:17,18 41:3,8,
14,23,25 42:3,23
44:3,4,13,22 45:3,
18 48:15,17,24
49:1,2,8,10,16
50:4,12,15,24
51:9 52:6,11,16
53:24 54:1,10
55:18 57:7,12,14,
20 58:4,11 62:2
63:3,11,24 65:5
69:10,13 70:9
71:3,5,10 72:13
73:16,17,21 76:5,
8,24 77:5 78:3,8
83:10,23 84:4,9
87:18 89:10 90:5
91:11 92:5 93:6
94:17 97:11,21
98:9 100:24
103:21 110:3
112:15,18 113:3
114:4 116:1
117:5,25 119:1,
14,18 122:12
127:8 128:2
130:14 132:14
135:4,16,19
136:5,18 137:11
139:6,11 140:11
141:1,25 142:4,
20,21 143:5 144:6
145:2 146:22
147:14 150:3
152:22 154:11
155:3,17 156:4,13
157:9 159:5
160:17,20 162:4
163:6,20,23 164:5
165:11,21 166:11
167:19,24 170:10
171:13 172:13,21
173:12 174:3,16
176:20 177:2,21

178:22 181:15
185:20 186:3
187:2,5,7 188:16
190:15 193:9
194:13 196:5
197:4 200:14,20
202:9,11 204:10,
22 208:20 209:6,
15 210:21 216:10
217:24 218:3,23,
24 219:7 221:12,
19 224:15,24

Calpers' 5:13,17
6:4,10

Calpers's 9:15
10:18 11:8,11
12:16,19 13:3,7
14:10 40:21 43:23
45:12 46:5 48:20
50:18,21 51:1,2
52:13,15 56:11
60:8 77:6 78:10
80:24 82:2,8
85:24 89:8,13
114:6 124:15
138:14 142:1
144:16 147:6
150:22 153:5
154:6 157:7 158:8
163:3 172:8,15
173:23 174:9
179:24 185:14
192:18,25 199:9
200:25 201:10
202:13 203:3,6
205:11 207:3
208:18 210:12
211:3,6,7,19
212:17 213:12
215:12 216:20
217:2,3,8,15
218:1 219:14
220:7 221:14

Calstrs 42:2
92:19

Calstrs's 124:15

Camacho 4:5
10:25 132:14
134:1,2,12,15,23
135:3 138:22
151:2,20 152:20

153:11 158:7
159:15 161:6
162:15 167:4
168:14 170:8
171:8,11 181:11,
18,25 186:9
187:24 188:1,8
192:17 194:13
196:14,16,19

Camacho's
181:14

cap 209:4

capitalized 124:3

capture 85:11

career 66:12

case 2:8 7:12
30:16 32:21 34:18
36:22 41:25 46:6
51:22 67:7,14
68:1 83:3 87:3
98:12 100:11
101:4 110:16
129:3 140:20
145:5 148:16
167:22 171:14
180:9 205:25
206:11 210:4
219:2,3 223:8
224:2

Caselines 12:4
18:25 20:1,5
22:10 45:15 46:7
121:22 122:5
168:18 172:24
173:14 174:13
175:3,25 176:4,18
177:7 178:7,10,11
179:2,17 180:3,10
187:18 212:19

cases 101:1

cash 107:16

catch 18:8

caught 72:22

cell 17:1 20:12
25:2,12,15 29:5

cells 22:3

cemetery 62:8
center 3:10 56:17
Cerritos 3:11
certificated
92:19
Certified 2:22
cetera 21:21 62:5,
8
chance 65:9
142:20
change 77:15
changed 171:2
220:24
changing 27:4
Chapter 123:20
charge 198:16
Charles 3:2 7:19
**CHARLES.
GLAUBERMAN
@CALPERS.CA.
GOV** 3:5
chart 21:17
chase 16:10
chat 169:21 170:1,
25
check 73:10
77:21 179:18
chief 153:18
163:8 165:15
chiefs 56:1
choose 200:17
221:25
circular 6:6,7,8
90:5,7,8,15,20,23
91:1,10,23 94:9,
14 95:24 97:8,9
118:4,9,12
circulars 114:4
115:17 117:25
118:19

cited 45:19
cites 45:18
cities 62:7
citing 213:16
city 72:10
Claimant 55:4
134:16 197:10
claimant's 4:3
5:3 6:3 81:5 89:15
91:19 93:20 94:24
95:20 97:16 98:17
138:17 147:21
153:7 157:14
158:10 159:10,18
162:10,19 164:15,
21 166:24 167:6
168:3,10 182:16
183:4,17 184:10
185:5,10 187:14
212:21
clarification 25:7
73:18 163:2
223:17
clarifications
90:17
clarify 90:12 91:7
154:15 175:14
220:11
clarity 145:16
class 100:2,4,13,
15,17,18,24 101:2
107:20
classified 5:21,23
6:17 12:18 16:13
30:2 39:15 47:19,
21 60:14 62:3,18,
19 63:10,13,24
64:19,24 77:1
78:8,16 79:11
92:14,23 93:15
100:6 103:18
104:2 131:17
142:9 182:7,22
183:10 189:17
195:16 208:23
224:18

clear 15:10 42:1
44:15 118:19
149:19 216:1,19
217:4
clicked 174:11
client 44:8
close 42:10
104:22 130:24
206:9,21
closed 62:10
closely 119:22
closing 44:12
code 6:18,20
45:19 48:2 51:8
53:2 57:15 60:5
78:23 89:11 93:3,
7,12,14 106:13
113:6 114:22
115:8 116:1,22
117:1 123:21
202:11 205:15,22
206:8,18 207:6
208:10,22 215:10,
14
codes 114:22
collaborate
160:10
colleague 103:9
114:13
collective 16:6
131:15
collectively
131:12,19
column 20:10,11
21:1 23:10 24:17
29:18,21 30:11
116:5 199:22
218:12
columns 20:22,
23
comfortable
110:22
commencing
2:17

commitment
10:9
commitments
99:12
common 11:24
105:23 202:23
communicated
119:15,18 120:1,7
216:12
communication
90:9 160:10
comp 59:25 72:25
86:17 88:19,21
146:11
compare 77:25
compensate
49:2 53:20
compensated
20:8,14 21:12
23:6,21 101:2
110:16 208:14
compensation
12:17 17:3 21:15
23:8,11 30:3 35:4,
5 43:16 47:24
48:22 57:2 58:21
59:11,12,13,15,20
63:25 65:2,15,19
66:8 67:3 72:2
74:1 75:3 76:17
77:3 80:13,17,21
82:21 85:7 87:14,
15,20,22 96:1,2,5,
14 100:9 109:6
136:7 141:13
143:20 144:24
145:14,17,18,19
146:1,4,10 186:24
191:24 194:16,24
198:9 209:7,8,14
218:15 220:6
222:23 225:11
compensations
144:21
compiled 199:12
complete 5:19
169:12 178:14

179:23 181:14
completed 208:3
completeness
164:4
complex 86:1
compliance 5:10
77:6 135:20,23
136:3,5,8,13
138:4 141:15
142:16 144:25
155:7 156:20
197:25 198:20
compliant 141:5
145:4
complicated
51:21
complication
34:2
complied 85:19
comply 142:22
component
58:21 74:21
107:13
components
107:13
computations
208:4
computer 69:6
computing
205:20
concept 53:6
54:4 100:15
102:1,2,3,14
concern 92:16
concerned 53:14,
18,21 54:1 100:11
148:11
concerns 92:13
125:19 166:19
concluding 2:18
conclusion 60:11
124:10 125:8
142:5

conclusions
214:25
conducted 7:15
141:16 198:7
220:5
conducting
136:22 141:2
conference
161:16
conferences
57:18
confidential
131:14 143:13,21
confirm 77:6
166:17 171:9
Confirmation
5:17
conflating 54:3
conflict 93:9
conflicts 83:16
confused 54:5
conjunction
93:13
connection
116:23
consecutive
59:14 80:14
87:13,23 209:9
222:25 223:23
224:23
considered 23:6
64:14 66:1 156:7
201:12,16,19
202:13 203:5,16
208:17 224:19
consistency
63:16 69:15,22
83:5,8 84:8 97:24
98:6 112:23
consistent 84:4,5
93:14 193:20
194:5
consistently
59:24

consists 27:23
40:2,3
consolidate
79:20
contact 56:17
136:17 137:24
158:20 160:1
contacts 92:8
contained 39:21
contend 195:20
contending 32:6,
9,18 33:17
contends 15:18
35:21 36:3 152:8
204:22
content 220:19
contention 12:16
111:17 128:7
152:14,23 191:7
192:9 193:5
211:20 214:11
contents 173:11
177:21 178:7
context 61:17,23
continue 94:3
209:13
continued 6:1
91:6
contract 62:19,20
79:12 87:4,6
88:12 108:7
139:20
contracted
198:13
contracting
95:25
contrary 67:10
contribute
209:13
contributes 73:5
contribution
73:7,12 209:3

contributions
72:4 73:1,3,4,16,
22,23 74:10
controller's
71:17
conversion 58:8,
11,14 65:25 66:3,
14 68:19 108:11
195:4,7 221:6,12
224:25
convert 58:17,24,
25 59:19 61:10,11
62:14 65:7,23
66:6 67:5 69:16
109:3 116:13
117:6 225:6
converted 85:20
111:21 195:4
223:10,24 224:3
converting 65:18
109:14
convince 67:18
coordinate 93:8
cop 186:2
copy 45:14 91:10
94:14 97:8 139:11
146:21 147:1,3
157:6 159:3
160:16 162:1
163:19 165:21
166:8 167:21
169:12 177:19
corner 89:24
correct 13:18
17:24 21:19 22:15
23:15,22 24:22
26:18 27:14
28:10,18,21 31:10
33:12,20 34:19
38:25 39:3 47:1,2,
6 50:17,23 53:17
70:8 73:1 75:1,2,
7,8 76:4 78:5
82:10 85:14 90:2
92:14 102:4,5,12,
13,15 104:17,18
108:9,14 109:18

111:12,13 112:2,3
113:3,4,6,9
114:24 115:10,13,
22 116:24,25
117:2,3,5,12,13,
16,17,22,23
118:6,17 119:6,10
120:12,13,17,23
121:4 122:4,10
123:14 125:6
126:2 128:9,25
129:1,5,6,20
132:23 133:8,10
141:24 142:3
144:19 145:4
146:16 148:25
151:16 152:11,25
161:1 168:24
170:13,15 175:21
176:25 188:10,18,
24 189:6,10,20
190:3,4,5,8,18,22
191:3,9,18
192:12,13 194:17
195:11 207:22
208:22 221:18,23

correctly 85:10
92:12 111:23
155:8 156:25
213:10

correlate 43:15

correlation 218:2

correspond
121:2

correspondence
5:12 22:21 92:7
160:4 163:15
216:6

counsel 19:4
45:14 47:3,12
48:12 50:17 93:18
101:6 161:1
166:13 168:24
170:14 175:12
176:16 177:17
217:7,18

counsel's 218:5

counseling 56:21

count 202:20

counties 62:7

counting 122:9
202:24

county 41:6,9,10,
11,12,17,18,23
42:1,6,8,20,25
43:8,24 44:1,5
71:14,15 72:10
90:6 92:3 94:10
119:18,22 120:7
144:9 186:18

couple 33:2 37:20
99:24 132:18
141:8 157:18
160:24 185:1

Court 3:10 48:14

Court's 211:6

cover 73:15 140:2
178:24 217:4

crafted 90:23

crazy 121:23
175:3

create 63:16
65:18 69:12,22
72:7

created 78:18

creating 69:14

creation 90:19

credential 208:13

credit 48:24 51:2,
3,12,14,16,18,19
52:6,8,25 53:1,8,9
56:5 59:8 71:24
72:25 74:21
75:14,17,23 76:3
86:16 102:3,12,
15,18,20 156:23
186:22 205:19,20
207:20 208:11
209:4,16,18
210:10,12,19,22
211:4,10,19,25
212:3,4 213:14,20
214:11,16 215:3,

5,6,20,23,25
216:9,14,23
217:6,17 218:2,7,
14,19 219:4,9,13,
22 220:24 221:1
222:16,20

credits 74:16,25
75:7 218:25

criteria 205:22

critical 13:19

cross 4:3 181:25
188:3

**cross-
examination**
97:20 99:9 101:17
188:6 225:14

crossing 62:4

crunch 126:25

crux 64:11

CSR 2:21

current 6:19,21
55:24 106:12
135:17 198:23

customer 14:20,
24,25 15:1,2
55:19 56:2,16,18

cut 16:10

D

daily 50:14 58:16
70:11 72:1 112:7
149:4 150:14,20
152:15 200:6,10,
18

data 23:5 71:20
102:24 103:22,23
104:2 141:11
142:11 143:19
144:8,10 156:21,
22 186:17

database 92:9

date 139:20
143:18 201:21

202:1,4 220:9
dated 5:4,6,8,10,
14,16,18,19 165:2
dates 82:19 85:5
143:15

day 10:11 17:8
25:19 40:1 52:20
53:10 82:14 92:6
120:16 122:8
175:4 203:4 205:5
206:1,15 222:9
225:20

days 27:1,2,3
28:1,5,8,9,11
37:2,6,20,23
38:16 40:17,19,22
42:14,21 43:10,16
49:12,13 50:1,2,
10 52:1,2 61:6
70:6,13 79:14
80:2,9 86:12,13
88:6,12,13 120:17
121:3 122:13
129:22 156:2,5,8
172:24 181:23
202:24 204:4,24,
25 205:6 206:1,2,
8,10,13,14,15
208:3 222:8

dealing 12:14
17:8 20:8 21:5
30:20 53:7 54:7
67:15 100:12

deals 186:4
210:19

decades 156:9
196:5 208:5

deceased 56:15

December 5:10,
12,14,20 19:5
26:22 137:19
160:17,18 161:8
163:19 166:16
174:12

decide 218:19,23

decided 130:11
174:25 178:13,15

decision 122:15	derive 60:18 149:7	180:8 181:12,18 197:20 199:8 212:8 218:2 224:12	distinction 53:23 73:25 74:19 101:3,7 192:23
decrease 36:15 130:5 194:7	derived 60:16 118:23,25 126:12	directed 125:18 153:14 154:17 160:1 165:14	distinguish 49:11
decreased 128:18	describe 30:9 115:20 124:6	directing 162:14 188:22 191:16	distribute 92:5
deduce 203:24	describing 120:25	directly 138:2 149:2 198:6 200:15 201:13	distributed 91:11,24 92:6
deducting 73:9	description 5:3 6:3 139:25	directs 61:18	distributes 56:8
deemed 64:18	descriptions 143:11	disability 56:12, 13	distribution 92:2
define 109:16 205:23	designated 16:9	disagreement 219:1	district 2:9 7:12, 25 8:6,10,13,15 9:22 11:21 12:10, 16 15:25 16:6,8 17:2,16,17 19:7 25:20,23 26:5 27:12 32:7,12 33:11,18 34:14 35:22 36:4,20 39:13,17 42:13 43:10,14,15,21 44:2,5,6,14 48:25 54:12 66:14 71:14 94:6 98:11 103:9, 23 105:4,5,13,18 106:1,25 109:19 111:14 121:13,15 123:3 126:8,21 127:7,22,24 129:18 130:11 131:10 139:19 140:7 150:23 154:12 165:17 172:12,16,18 174:18 180:5 184:2 185:20 186:19 187:1 188:22,23 189:5 190:21 191:6,7,17 192:8,9,19 194:5, 14,25 195:9 199:13 200:5,11 201:6,15,18 203:10,12,16 206:3 208:18 216:13 217:23 218:22 219:8 221:22 222:1,4 223:5,9 224:20 225:7,9
defined 141:8 144:20,21 145:24	desktop 46:12	disarray 46:10	
defines 51:11,13 205:16	detail 48:11 51:7 104:1 147:4	disbelieve 108:8, 13	
defining 106:22	detailed 117:10 126:19 163:5	discover 126:21	
definition 46:18, 24 100:1,3 107:12	determination 5:13 54:11 188:25 189:11,16,19 190:10 191:11,19, 20 193:25 194:1,9 195:2 205:12 210:13	discovered 126:18 147:10	
definitions 48:23 146:7	determinations 56:13 142:19	discovery 145:5 186:1 217:18	
deflated 80:16	determine 59:20 65:1 71:24 77:25 112:18 209:17 215:19	discrepancy 145:12	
delays 214:18	determined 60:2 112:14 190:6 191:21	discuss 137:25	
demonstrate 29:3 74:4 83:4 84:4	develop 138:1	discussed 118:21 148:7 199:20 217:10 218:8 221:6	
demonstrative 6:13 185:17 186:3	dialogue 160:13	discusses 16:2	
denied 54:12	difference 48:21 88:21	discussing 48:17 83:6 172:9	
denotes 21:15	digging 40:11	discussion 175:13 217:16 221:5,9	
Department 41:12,18 42:6 43:8,24 44:1,5 119:19 120:7 123:13,16,23 124:2,8 125:2,19	digits 116:6	discussions 99:7 120:4 161:17 163:1	
departments 71:17	direct 4:3 55:15 80:23 106:18 135:1 158:7 167:3	disputing 193:2, 3,4	
depending 61:6 66:13 120:17 218:23			
deprived 67:2			
deputy 14:19,21 55:19			

district's 8:18

16:12,25 26:17
36:18 45:2 107:2
129:3 157:6
171:10 172:8
173:8 181:22
204:22 208:2

districts 41:5,8,

14,22 42:8,18,19,
25 62:7,8,17 63:2,
9,17,21 64:2,6
66:23 71:16 72:9
78:15 79:19 82:3
90:6 91:3,4,25
92:4 94:10 105:22
110:5 119:23
156:1 176:9 203:1
221:25

divide 24:8 25:5,

14 28:20,23 35:9
40:19,23 68:18
75:18 80:14,17
87:13,18 88:18
129:9 194:25
203:13,15,21
222:9

divided 59:6

60:21,24 61:10
66:3 67:4 87:16,
17 102:17 112:24
196:8 201:17
203:10,12 204:11
223:3

dividing 195:6

200:8

division 24:1

25:15 56:1,4,8,13,
17,18,25 123:20
136:18 139:6
141:5 154:22
156:20 158:18
165:15 197:24

divisions 56:2

document 6:13

23:9 26:11 81:22
83:4,21 89:19
90:4 93:24 95:12
105:10 114:18
115:16 117:14,16,
21 118:9,14

123:10 138:21
153:11,21 158:14
159:16,22 162:17,
23 164:25 168:14
169:16 176:6,13,
15 177:5 184:17
185:24 189:12
199:11,17 212:15
217:17 220:7,9,
13,19,22

documentation

148:18 160:9
170:2

documents

114:7 124:11
142:6,11 145:9
147:13 155:16
166:1 176:22
177:12,14,16
199:5,12

dollar 148:17

dollars 24:20

88:20

download 180:24

downloaded

174:13 178:6
179:2

dozens 169:2,3

draft 5:6,8 137:2,

6,9 139:2,7
142:25 146:21
147:1,12 153:16
154:6 157:7
160:13 165:25
178:2 211:17
212:5 217:4

drafted 91:11

114:5

draw 127:18

Drive 3:10

driver 62:22

drivers 62:4

drop 193:22

due 214:20

duly 55:5 134:17

197:11

duties 55:24

88:24 136:12
198:3,4,22

E

e-mail 5:12

159:25 160:4,8,
12,16 161:5,13,
15,20,24 162:1
169:13,14

e-mails 19:2

160:24 162:6
178:4

earlier 70:14 78:2

156:22 178:4
193:9 212:11
218:6 221:7

early 57:8 181:3

earn 21:13 75:16

205:23 206:3,19
208:25 209:4
218:16

earnable 47:24

48:22 77:3 96:2,5,
14 100:9

earned 71:23 74:2

75:5 78:24 80:1
85:6 86:5 88:7,14,
17 156:23 188:14
189:18 190:16,17
210:6 215:5
223:1,22

earning 30:4

76:2,5 191:13,15
192:21 203:18
206:5,10 210:5

earnings 48:22

49:12 50:25 52:5
54:2,4 71:23 72:5,
25 73:6,8,14,24,
25 74:2,9,10,19
75:12,18,21,24
76:13,15 80:22
85:6 86:10,15
87:8 88:10,13

102:2,11,17
111:8,12 127:13
140:17 141:13
146:2 149:25
184:18 186:23
189:13,18 190:6,
18 191:12,18
192:1,3,6 193:2,3
201:12 204:9
206:4 210:8
216:23 222:10

earnings-wise

110:21,22

earns 50:5

ease 68:6 79:21

easier 18:6,13,15

easily 97:2

easy 14:15 44:13,

15 65:22,23 74:4
145:11

Ed 42:6 43:8 44:1,

5 93:12,14

edification

185:19

edit 78:1

edits 70:25 72:15,
20

educate 110:13

educating 56:19

57:9

education 41:11,

12,13,19 42:2

43:24 56:18,25

57:5,20 71:15

82:2 93:3,7

119:19,23 120:8

186:19

educations 48:19

effect 219:13

effective 201:21,
25

effects 219:8

efficient 144:25

effort 45:2 69:22
83:19 215:24

elect 93:10,11

electronic 92:7
177:19

emphasis 75:9

employed 51:15
119:6 150:6
207:21,23 208:1

employee 17:3,4,
21,23,24 18:9,10,
11 20:7,12,14
21:5 22:17,18,22,
23 23:4,5,7,17
30:2,16,20 32:11,
23 34:22,25 36:22
49:12,14,23,25
50:1,19 51:4,23
53:6 58:13 64:14,
24 66:24 67:7,15
71:23 74:2,5,8
76:7,10 77:20
79:12,22 80:1,4
85:4 86:2,9 87:14
88:5,9 100:15,18
102:4,6,22,24,25
103:3,6,7,18,22,
24 104:2,7,12,16,
20 107:25 108:13
110:16,19 111:1,
6,10,16,19 127:3,
8,21 129:12
131:10 150:1
183:22 184:2
185:16 189:4
200:16 201:16,19
202:19 203:6
204:7 207:23
208:21 218:14

employee's
22:24 85:12 87:3,
6 102:2,15 111:20
128:3 130:13
188:9

employees
12:18,21 16:7,13
17:15,17 18:3
35:2,8,12,17,23,
25 36:4,5,8,12,21
39:15 42:4 48:25

49:2,9 57:3 60:15
62:2,3,6,18,20
63:3,10,14,24
64:16,17,19 67:13
69:18,23 74:5
77:2 78:8 79:5,11
86:2 87:19 92:13,
15,23,24 93:15
100:17,19 102:10
113:9 118:2
123:13 124:7,18
125:2,19 131:13,
14,16,17 143:14
145:25 155:11,15
156:15 182:8,9,22
183:10 188:17
189:18 203:2
208:23 213:8
215:16 218:8

Employees' 2:2
7:9

employer 50:10,
13 56:24,25 57:20
58:15 65:12 69:11
73:9,11,15,22
76:15,20,21 77:16
82:3 83:24 85:3,
20 86:8 87:1,7
90:9,16 127:20
130:10 197:24

employers 44:15
49:9 56:19 57:1,
10,17,23 65:4
69:14,21 71:12
72:10,20 77:1,24
90:10 94:4 96:6,
15,22 107:7
116:22 124:17,18,
20 125:5 126:1
130:7 155:4
188:17

employers' 77:11

employment
47:22 51:11 62:21
100:7 107:21
193:7 208:15

end 31:15 51:10
52:20 72:17,19,20
77:8,19 80:9
108:17 121:23

134:9 181:3 208:2

ending 32:16

ends 177:22

enforce 44:18,23

enhances 146:5

enlarged 186:15

ensure 63:16,17,
23 138:4 141:5
144:25 145:2
156:20

enter 116:22
117:2

entered 216:7

entire 13:2,5 30:1
34:13 61:7 168:25
171:9

entities 12:11
82:8,9,23 176:9
217:10

entitled 11:13
80:21

equal 17:1,12
66:21 75:24 78:14
85:24 86:7,10
87:8 111:7 112:1
129:9

equally 36:9 64:1
193:20

equals 225:2

equated 75:22

equitable 53:18

equitably 52:17
53:15

equivalency
155:23 196:7

equivalent 58:19
59:19,22 60:22
61:7 64:12,16
65:1,13 66:6,25
67:2 68:11,24
69:3 78:21 87:6
108:3,22 109:4,
12,14 126:13

127:16 129:15
140:20,21 142:2
149:8,9 155:21
156:7 161:14
189:20 191:21,23
192:23,24 193:1,6
194:21 195:24
196:3 204:14,17
210:2 222:2

erroneous 72:16

error 133:7

essence 12:15
111:25 221:20

essential 39:10

essentially
16:11,18,24 17:23
26:19 29:6 30:19
35:16 41:13 42:22
43:17 44:8,22,25
84:10 145:18
176:22 194:16
213:12

establish 39:13

established
101:25 102:1

establishing
124:19

estimates 214:19

event 30:10

evidence 45:12
48:15 67:8 91:15,
18,20 94:18,23,25
97:12,15,17,23
98:14,16,18
132:25 133:21
147:15,20,22
157:10,13,15
159:6,9,11 160:21
162:5,9,11 163:24
164:14,16 166:12,
23,25 168:2,4
170:3 171:25
172:2,14,16 174:2
175:8 176:16
177:2,11 180:18
181:8,9,19
182:15,18 183:3,

6,16,19 184:9,12
185:4,7 187:13,15
216:7 217:16

exact 63:1 69:25
70:9 78:24 88:25
89:2 110:19
160:18 180:3

examination
55:15 135:1
181:18 197:20

examined 55:6
134:18 197:12

examples 75:19
78:19 90:24
125:23

exceed 47:23
75:14,22 100:8

excess 188:23
191:18 192:11,20

exclude 15:4

exclusively
210:19

Excuse 46:15
81:8 124:21
210:16 218:20

executive 14:19,
21 55:19

exemplar 85:10

Exh 5:3 6:3

exhibit 6:12 13:6
18:17,18,20 19:2,
7,11,15 20:1,18
21:7 22:25 24:15
29:4 46:11 80:24,
25 81:5 84:17
89:13,15 91:15,19
93:16,20 94:18,
22,24 95:6,20
97:7,12,16,21
98:14,16,17
103:9,10,12 105:4
106:8,9,14 114:16
115:25 117:18,19
118:8,16 121:13,
15,19,22 123:4,5
138:14,17 147:6,

7,15,19,21 148:1
153:5,7 157:6,10,
14 158:8,10
159:6,10,16,18
160:21,25 161:2,
24 162:5,8,10,14,
19 163:24 164:11,
13,15,19,21
166:5,6,8,12,21,
22,24 167:3,6,25
168:3,7,8,10,18
170:18 171:6,10,
15,17,18,23,24
172:1,8,16,18,21,
25 173:1,6,9,12
174:6,9,10,11,20,
21,22,23,24
175:3,19 176:5,6,
10,11,12,25
177:4,5,8,10,13
178:1,2,14,17,23
179:14,20,22
181:8 182:5,6,14,
16,19,20 183:2,4,
7,8,15,17,20,21
184:6,7,8,10,13,
14 185:3,5,8,10
186:13 187:8,12,
14 199:9,24
201:24 207:4
209:21,24 211:7,
13,17 212:21
219:24 220:7,13
224:13

exhibits 5:16
13:3,7 18:13
22:23 47:3,11
95:18 105:11
114:6 158:9
168:24 171:4
172:6,11,12,13,15
173:19,23 174:1,
16,19,20 175:7,9,
15,16,17 176:21
177:9 180:6
187:21

expand 203:19

expectations
160:6

expected 181:14

experience 56:16
57:6 136:25 155:3
156:13

experienced
57:13

explain 42:8 54:7
70:15 78:10 85:24
86:23,25 88:2
145:17 147:5
151:2 161:5
186:10

explained 118:21

explanation
117:10,11,15

express 96:22

expressly 211:2,
18 212:14

extension 44:3

extensive 133:11

extremely 65:22

F

fact 18:25 37:5,24
39:1,2 82:22
83:23 98:9 125:1

factor 27:12 28:25
29:9 36:7,19,23
37:13 39:13,17,
21,23 43:10,14
44:2,7,9 51:25
60:2 62:15 67:5
112:19 128:23
193:11 194:22
196:3 209:7

factors 42:9,20
43:1 59:12 78:1

faint 199:22
200:21 208:7

fair 11:16 43:19
142:23 164:9
187:22

fairly 38:23
206:21

falls 72:2

familiar 57:14
58:4,7 105:22,24
123:15 137:10
138:10 181:5
185:23 193:12
199:2 221:9

fashion 58:16

fault 167:12

feasible 130:8

February 5:16,18
26:22 27:2 149:14
153:1 165:3

fee 94:11,12

feeds 72:5 74:20

felt 185:25 186:2

figure 27:25 33:15
61:15 150:24
151:7 152:12
171:4 181:9

figures 150:9

figuring 224:24

file 72:7,8 116:1,4,
5 219:2

filed 46:12 212:19

final 58:20 59:11,
13,15,20,25 65:1,
15,19 66:7 67:3
74:1 75:3 76:17
80:13,16,21 86:17
87:11,14,15,20,22
88:19,21 136:15,
20,25 137:3,5
138:2 140:13
143:23 158:17
160:5 163:11
170:7 171:5,14
174:4,5,12 175:19
177:23 209:7,8,14
212:6 217:5
222:23 225:11

find 12:23 19:2
30:2 31:5 54:3
109:10 174:1
178:17,19 211:1

221:19
finding 12:14,15,
19 36:10 52:25
53:7 103:10,17
141:19,20 144:12
146:12 152:21
153:25 154:4,6
159:1 161:23
165:18 188:9
193:18 210:18
211:17 213:14,16,
17,19,21 215:1,
20,22 217:1
221:15
findings 12:13
102:23 103:23
130:8 136:24
140:1 142:21
143:11 194:3
198:9 213:16
214:24 216:2,3
finds 26:10
fine 43:17 132:20
157:23 171:13
214:9
finish 56:23 95:9
181:24
finished 135:24,
25
fiscal 51:12,24
186:21 206:17
208:6,12,14
fitting 77:18
fixed 27:3 37:1
53:5 130:2,5,12
193:15,16,21
flat 148:17,18
focused 136:1,10
146:14
folks 99:3 173:16
follow 67:21 68:8
160:3 210:14
foolproof 65:5
forget 33:7 78:24

form 90:8
formal 165:14,17
formally 160:3
forms 142:11
formula 37:1,12
38:1,4 39:6,23
40:21 60:20
61:19,20,21,22
66:9 112:18,25
113:2 114:23
117:12,16,22
118:1,15,21,25
119:2,15,17
120:7,11,20,24,25
121:8 122:12
125:25 126:2,7,17
127:1 128:13,23
129:9 194:5,8,11,
19 223:20
forum 57:20
forums 82:2
forward 159:15
found 15:22,25
36:19 128:11
142:22 145:7,8
155:6,19 171:2
203:16
foundation 186:6
fourth 19:10
frame 89:2
frankly 215:24
Friday 62:10
front 26:11 29:4
72:17,19 169:22
full 2:7 50:2,7
51:19 75:22 79:16
98:24,25 99:2
169:12 206:3,6,9,
10,19,22 207:19
208:25 209:17
full-time 7:11
47:21 51:11,14
64:14,18 65:10
66:7,24 67:1,2
68:15 75:19 78:20

88:10 100:7
107:24 108:2,22
109:4,12 111:6,11
115:2,15 116:8
127:15,23 129:14
140:21 149:8,9
154:5 155:21,23
156:7 161:14
189:20 191:16,18,
21,23,25 192:22,
24 193:1,6 194:21
195:24 196:3,6
204:14,17 205:16,
23 208:2,15
209:11 217:17,24
218:1,22 224:19
functions 56:3,6,
11 57:11
fund 209:5
fundamental
38:2,12
furthest 20:11

G

**G-L-A-U-B-E-R-
M-A-N** 7:19
G1 20:1,2
G4 20:4 22:13
24:16 29:5 31:6
105:6,7
G5 22:12 33:11
gap 198:14
Gary 42:7
gave 49:22 82:14
general 48:14,15
55:24 125:22
136:12 198:3,4
205:20,21 209:6
213:22
generally 46:5
50:12,15 84:24
105:21 140:5
141:2 198:8
209:19

gentleman 42:7
give 12:22 14:6,16
18:7 19:3 21:23
22:7 23:12,16
24:19 26:1,13
27:7,17 28:15
29:11 30:6,15
31:4 33:2 34:20
35:19 36:2 38:22
41:15 42:11 43:4
49:3 52:22 53:13
59:4 60:17 65:17
74:12 80:20 107:9
109:1,9 112:4
121:16 132:16
169:16 203:8
207:16 222:12
giving 163:2
glanced 105:11
Glauberman 3:2
7:17,18,19 8:15
9:9,11 10:20 11:2,
6,7,15 13:1 14:10
15:13 19:4,8,19
45:9,10,22,23
46:4,17,21,23
47:2,11,17 48:3,7,
9 49:5,7,20,24
50:12 51:6,21
53:5,13,17 54:1,
10,15,19 55:12,
13,16 58:2,3 60:4
65:16 67:18 69:5
71:7,9 73:19
74:18 76:1 81:13,
14,21 83:1,2
84:15,16 89:18,23
90:2,3 91:14,22
93:5,18,23 94:17,
20 95:2,4,5,10,19
97:5,11,19 98:1,
20 99:23 101:6
124:9 125:7
131:21,22 132:1,
12,13,23 133:3,
15,18,22 134:1,8,
11,24,25 135:2,8,
15 138:13,20
147:14,24 148:2,
5,8 149:21
150:10,13,16,19

151:1,4,9,11,16,
19 152:19 153:10
154:1,3 157:9,17,
21,22 158:4,5,6,
13 159:5,13,14,21
160:20 161:1,4
162:4,13,22
163:23 164:7,10,
18,24 166:7,11
167:2,9,24 168:6,
13,19 169:1,6,13,
20 170:4,6,14
171:3,13,19
172:4,23 173:4,8,
17 174:3,7 175:2,
21 177:16,20
178:20 179:5,7,
10,13,24 180:2,
11,13,17,23
181:16 182:3,6,20
183:8,21 184:1,
14,22 185:13,25
186:7,8 187:7,22,
24,25 196:13,17,
24 197:1,4,17,18,
21 202:8 204:20
205:5,10 207:2,9,
12,17 210:24,25
211:14,23 212:1,
10,17 213:1,15
215:8 216:16,17
217:21,25 219:6,
12,21,24 220:20,
21 221:3,4
222:12,14 224:5

Glauberman's
84:2 210:20
214:8,11

good 7:5,18,23
8:1,4,7 10:10,14
20:6 40:14 51:16
99:15,22 101:19,
20 134:7 152:18
166:4 177:14
186:1,2

goodness 39:9

gosh 90:14

govern 96:3
141:8 142:15

Government

6:18 45:19 48:1
51:8 53:2 57:15
60:5 78:23 89:11
106:13 113:6
202:11 205:15,22
206:8,18 207:5
208:10,22 215:10,
14

governs 93:3

granted 208:13

Great 22:16 39:8
157:24

grounds 82:17

group 52:14,15
56:6,11 100:2,4,
13,15,17,18,24
101:1 107:20
136:9

groups 90:9,16

guarantee
119:20,21 120:1

guards 62:4

guess 10:12
83:12 101:10
110:12 126:20
214:3

guide 6:11 82:12
88:23 184:15
220:1

guys 194:15

H

half 74:9,10

half-time 74:5,8

halfway 180:21

hand 90:19

handle 56:21
198:6

handled 11:8
84:5

handles 56:4,19,
25 198:11

hands 165:8

Hanson 163:8,20

happen 104:1
130:16 132:19
214:23

happened 174:15

happening 79:18

happy 133:11

hardship 214:20

headquartered
41:4

heads-up 9:17

hear 15:8 113:22
135:8,10 214:5
219:11

heard 2:19 151:21
190:9 214:2

hearing 9:5,18
11:10 53:10 118:6
134:9 138:8
140:20 141:23
149:22 199:3,6

hearings 7:8,13
11:24

held 55:21 198:1,2

helpful 24:1 47:12
103:8 151:25

helps 70:25 71:24
82:2 90:12

Hey 94:5 204:10

high 32:8,19
40:15 155:1,5

high-level 100:19
131:13

higher 21:12,13,
14 67:3 74:24
80:20 128:25
191:8 223:7
224:1,4

highest 63:18
209:9 222:24
223:23 224:22

highlight 144:1
154:24 204:24
211:8

highlighted
202:2

highlighting
143:25

highly 101:2

hinky 172:23

hired 213:9

historical 48:18
83:8 163:3 196:5

historically 42:25
58:5 62:17 155:6
156:9

hold 32:2 104:23
114:19 121:14
160:23

holidays 39:5,7

Honor 7:18,23
8:4,16,19 11:19,
22 12:9 13:1
14:10 15:15 16:10
17:16 18:12
19:19,23 20:8
21:4 24:14,22
25:17 26:11,19
27:16 30:19 31:24
32:21 33:5 34:1
38:7 40:6 41:24
43:6 45:10 46:17,
21 48:3,9,24 49:5,
7,20 50:16,17
51:8,15 52:23
53:17 54:3,10,12,
16,20 55:13 57:25
58:2 59:11 60:19
65:3 67:6,23
74:20 75:9 82:16
83:2,6,13 84:15
91:14,17 93:2
94:17,20,21 95:2,
6,19 97:11,19
98:1,5,20 99:16
100:14 101:7,12
103:3 106:13
109:23 116:3
124:9,24 125:16

130:17 131:9,22
132:4,13,17 133:5
134:4,25 147:14,
18,24 148:2,9
149:22 151:5,11,
21 157:9,12,17
158:5 159:5,8,13
160:20,23 162:4,7
163:23 164:1
166:11 167:24
168:17 170:14
172:4,5,23 175:5,
22 177:20 178:21
179:5 180:5
181:10 182:6,13,
20 183:1,8,14,21
184:6,25 185:13
187:7,11,22
196:11,17,18
197:4,18 207:2,13
211:23 212:10
213:5 217:12,25
218:4 219:6
222:13 225:16

hoping 81:12
114:13

hour 24:20 58:14
59:18,21 65:22,24
66:5,20 68:4
75:20 76:11 80:4
98:24,25 99:2
109:13 204:6,7,9,
15

hourly 16:12,13,
25 17:12,16 18:3,
10 19:11 20:12
21:4 22:1,5,13
24:17,25 25:2,9,
16 26:11 29:15
30:1,2,24,25 31:9,
12 35:2,4,5,10,12,
15 36:5,11,15
39:14 43:2,15
50:14,20,21 53:20
58:16 61:12
64:16,25 65:5,7,
24 66:13 67:5
68:2 69:15 72:1
85:19,21 105:13,
23 106:2 108:23
109:11 111:25
112:6,16 115:6,9

116:2,9,13,19,23
126:9,15,22 127:6
128:1,5,11,14,18,
19,21,24 129:3,
10,12,13,25
130:2,5,12 142:9
151:8 152:23
154:25 155:4,11
182:8 189:1
193:10,17,22
194:1,7,14,19
195:1,13,16,17,
23,24,25 196:2
200:5,10,16,18
204:8,13 221:19,
21 223:10 224:9,
20 225:5

hours 25:19 26:8,
17 27:25 28:6,12,
14 37:24,25 40:4
47:22,23 50:10
52:3,19 53:6,15
58:13,18 59:3,5,
21 60:14,16,20,23
61:4,8,19 62:13,
16,20,24 64:9,10,
12,13,19 66:1
67:13,14,22
68:15,24 69:19,22
74:24,25 75:10,
11,12,13,21
76:16,19,21,22
77:2,4 78:21
88:14 89:5 100:7,
8 102:6,9 104:11,
14 108:1,4,7,14
111:10 112:24
115:5,15 116:8,
13,18 117:11
118:23 127:4,15,
23 129:15,22
149:9 155:23
181:23 188:13,15
191:16,25 193:6,8
196:7,9 204:25
205:5,6,14,16,17
206:1,15,16,20,21
208:4,19,20,24
209:11,12 218:9,
10 222:9 224:19

HRS 205:5

huge 77:12,15
146:3

Human 123:13,
16,23 124:8
125:2,20

hundred 90:15
223:1,14,21

hundreds 169:4

I

idea 69:12 108:6
119:1,3 137:7

identical 22:2
50:3 218:14

identification
18:21 81:6 89:16
93:21 95:21
103:13 106:10
121:20 123:6
138:18 153:8
158:11 159:19
162:20 164:22
167:7 168:11
182:17 183:5,18
184:11 185:6,11
212:22

identified 36:24
189:4 213:18,19
216:15

identify 22:18,22,
23 41:25 145:11

identifying
123:20

II 197:23

illustrate 79:24
88:4 91:7

illustrative 86:24

imagine 67:10

immediately
140:2 174:7,9

impact 66:13,15
80:12 90:19 223:7

impactful 66:18

impacts 76:16
78:19 79:24 86:25

impetus 90:25

implement 52:16

implementation
57:15

implemented
58:5

important 31:21
58:20

impose 44:16,17
94:12

imposing 94:11

improper 44:7

inaccurate 210:9
214:19

include 53:2
139:3 144:17
207:5 212:20

included 46:23
47:6,18,19 53:4
60:5,9 88:24
109:25 110:6
140:17 144:13
145:10 148:13
164:6,8 166:14,16
190:16 209:25
211:2 214:12

includes 32:22
33:23 126:2 182:8
213:6,11

including 109:25
110:3 178:15
213:7,8 215:14

inconsistency
63:8

inconsistent
65:15 83:10 91:6

incorrect 34:3
85:15 110:2,11
200:25 201:3,10
204:23 210:7
211:9 212:1
213:23 214:15,19
218:20

incorrectly 45:19

217:23 218:22

increase 12:17

32:11 36:14

102:19 129:16

223:9

increased 50:20

128:16 130:3

194:4

Increases 6:15

increasing 194:6

increment 204:6

206:20

increments

204:3

incumbent

216:12

indented 13:9

independent

102:15 218:6

index 121:23

173:14,16 174:8

175:24,25 178:8,

22 187:18

indicating 14:5

34:16

indication 98:7,8

104:16 193:24

213:13 215:17

217:4

individual 50:5

52:2 53:20 54:3

59:22 72:14

76:14,17 85:6

86:16 91:25 92:3

111:9 220:23

individual's

202:10 222:16

individually

71:13

individuals 52:18

inflate 109:24

inflating 210:9

information

67:10 91:4 97:2

98:10 102:22

139:21 143:15

144:6,8 145:6

183:22 184:1

199:15

infrequently

100:16

initial 45:23

139:11 140:2

157:7 158:19,22

160:2,13 161:21

175:3 178:2

179:25

initially 198:11

199:14,19

inquire 99:5

181:10

inquiry 163:14

insisting 29:9

35:13

instance 219:15

instances 70:2

instruct 155:4

156:13 188:17

instructed

192:22 194:21

instructing 77:1

instruction

188:25

intelligence

77:24

intend 45:12 54:6

interacts 41:8

interested 124:19

interesting 133:3

internally 65:8

161:18

Internet 169:24

174:14

interpose 52:23

67:6 82:16 210:16

interpretation

78:11

interrelated

216:24

interrupt 79:1

interruption 25:7

73:18 223:17

intertwined

216:24

introduced

147:15 172:19

introducing 43:7

introduction

91:15

investigate

170:12

investigation

136:22

involve 82:19

100:19

involved 102:22

165:9

involvement

153:22

involves 46:6

53:7 213:20

involving 53:9

108:20 213:18

isolation 52:10

209:16 216:21

issue 9:14,18

34:6,13,18 47:5

48:13,20 49:10,21

51:22 53:3,4,8,24

54:5,7 84:7 101:3,

8 107:17,21

108:18,20 133:12

137:11 140:23

146:12,13 155:14

199:3,20 205:12

210:22 215:3,7,25

216:9,14,15

217:23 218:21

219:5 221:1

issued 43:8 53:10

114:5 118:4,12

137:1 146:22

216:2,5 219:25

220:8,9

issues 5:4 8:22

12:24 13:2,11

32:1,14 33:22

45:13,17,24,25

46:2 47:6,13,20

50:24 51:9 54:6

60:9 78:14,18

83:5 86:4 90:12,

17 94:3,7 109:2

137:8,21 140:14

155:7 161:10,11

178:20 179:25

203:15 207:4

211:3 212:9,12,18

213:2,6 215:9

216:4 217:11,20

item 151:14

items 145:20,23

J

J-A-C-Q-U-E-L-Y-N 7:24

Jacqueline 10:10

Jacquelyn 3:9
7:23

January 6:7,8

55:22 97:7 118:13

213:11

jive 129:16

**JMORRISON@
AALRR.COM**
3:12

job 74:6 102:8
139:19

join 10:21 54:16,
20

joined 113:3

joining 10:22,24

joint 171:23

Joshua 3:8 8:5
10:7,12

jot 33:3

judge 2:4,20 7:5,
6,21 8:1,7,12,17,
23 9:8,20,24
10:15 11:6,12,16,
20 12:1,6,22 13:4,
8,14,16,19,24
14:2,6,12,15,21,
23,25 15:3,16,21
16:20,22 17:6,11,
14,19 18:7,16,22,
23 19:9,13,18,20,
24 20:3,6,13,17,
21,25 21:9,16,20,
23 22:7,13,16
23:1,12,16,20,23
24:4,10,19,23
26:1,13,16,21,24
27:6,10,17,20
28:2,7,11,15,17,
19,22 29:2,11,16,
22 30:6,12,15,22
31:4,9,11,19,22
32:2,6,13 33:2,7,
10,14,17,21,25
34:4,8,11,17,20
35:19 36:2,17
37:7,10,15 38:3,9,
14,17,19,22 39:3,
8 40:5,9,11,14,23
41:1,15,20 42:11,
15,19 43:4,12
45:4,7,21 46:1,14,
19,22,25 47:7,16
48:1,4,8 49:3,6,
18,21 50:9 51:5,
17 52:22 53:11,22
54:9,13,18,21,24
55:5,8,11 57:21
58:1,23 59:2,4,7
60:3,12,17,23
61:1,14,18,24
63:20 64:4 66:19
67:17 68:3,8,13,
21 69:1,4 71:6
74:12,15,23 75:4
81:7,8,11,20 83:1,
9 84:2,12 85:8
89:17 91:16,18,21
92:10,16,20 93:1,

22 94:19,22 95:1,
3,8,17,22 96:7,10,
21 97:4,13,15,18,
25 98:3,13,19,22
99:2,11,14,17,20
100:25 101:9,15
103:1,4,7,14
104:24 106:11
107:9 109:1,9,15,
19 110:4,12
112:4,8,17 113:18
114:11 115:24
116:16 118:16
119:25 121:16,21,
22 123:7 124:21,
25 125:10,13,17
126:3 130:19,22
131:2,6,20,24
132:2,5,10,12,20
133:13,16,19,24
134:2,3,5,8,12,17,
20,24 135:6,14
138:19 147:16,19,
23,25 148:3,6,10,
21,24 149:11,15,
18 150:8,11,14,
18,21 151:6,10,
12,17,23 152:2,5,
18 153:9 157:11,
13,16,20,24
158:2,12 159:7,9,
12,20 160:22
162:8,12,21
164:2,13,17,23
166:6,22 167:1,8
168:2,5,12 169:8,
19 170:20,24
171:17,20,24
172:3,10,18
173:2,5,14,24
174:5 175:6,18,23
176:2,17,24
177:7,18 178:9
179:3,6,8,11,15
180:7,12,15,20,25
182:4,11,14,18,
19,24 183:2,6,7,
12,15,19,20,24
184:4,7,9,12,13,
21,23 185:3,7,8,
12,21 186:5
187:9,12,16,17,23
188:2 189:21

190:4,7,12,23
192:14 196:15,19,
24 197:2,6,12,14,
17 202:4,16
203:8,21 204:18
205:3,7 206:25
207:7,10,14
210:24 211:13,21,
24 212:7,16,23
213:24 214:1,5
216:16 217:19,22
218:18 219:10,19
220:15,18,25
224:7 225:13,17,
23

Judges 56:10

judgment 122:18,
21

July 5:6 80:8,9
138:23 143:1
153:17 203:5
213:10 220:10

June 6:10 79:13,
16 80:6 86:13
87:7 88:13 94:14,
19 201:22 202:7
220:12,14

K

K-E-V-I-N 197:16

Kevin 4:6 132:15
169:20 171:1
197:5,9,16

key 59:10

kicked 214:1

kind 126:25
161:21 163:2
173:20 174:17
198:13 199:23
200:7,20 206:12
214:22 220:2
224:14

knew 44:3

knowledge 43:23
91:9 94:13 97:6
146:20,25 157:5

159:2 161:25
163:18 165:20
166:4 188:12

L

L-A-U 197:16

labor 43:19 136:2
198:17

language 12:23
13:9,20 17:7 47:8,
9,18 92:12

laptop 132:18

large 12:10,12
72:10 114:20
124:17 184:17
215:12

larger 22:5 35:6

largest 52:13

late 79:15 83:3

Lau 4:6 9:9,11
10:17 11:15
169:20 181:16
182:1 196:25
197:5,6,9,16,22
207:3,18 219:13
220:4 221:5
222:13,15 224:6,7
225:21

Lau's 212:11

laundry 214:22

law 2:4,20 3:3,8,
10 7:5,6,21 8:1,7,
12,17,23 9:8,20,
24 10:15 11:6,12,
16,20 12:1,6,22
13:4,8,14,16,19,
24 14:2,6,12,15,
21,23,25 15:3,16,
21 16:4,20,22
17:6,11,14,19
18:7,16,22,23
19:9,13,18,20,24
20:3,6,13,17,21,
25 21:9,16,20,23
22:7,13,16 23:1,
12,16,20,23 24:4,

10,19,23 26:1,13,
16,21,24 27:6,10,
17,20 28:2,7,11,
15,17,19,22 29:2,
11,16,22 30:6,12,
15,22 31:4,9,11,
19,22 32:2,6,13
33:2,7,10,14,17,
21,25 34:4,8,11,
17,20 35:19 36:2,
17 37:7,10,15
38:3,9,14,17,19,
22 39:3,8,11,21
40:5,9,11,14,23
41:1,15,20,25
42:11,15,19 43:4,
12 45:4,7,21 46:1,
14,19,22,25 47:7,
16 48:1,4,8 49:3,
6,18,21 50:9 51:5,
17 52:22 53:11,22
54:9,13,18,21,24
55:5,8,11 57:21
58:1,23 59:2,4,7
60:3,12,17,23
61:1,14,18,24
63:20 64:4,9,13
65:6 66:19 67:17
68:3,8,13,21 69:1,
4 70:18,23 71:6
74:12,15,23 75:4
76:9 77:1 78:11
79:5,24 81:7,8,11,
20 83:1,9 84:2,12
85:19 87:22 88:7
89:17 91:16,18,21
92:10,16,20 93:1,
22 94:19,22 95:1,
3,8,17,22 96:7,9,
10,21,24 97:4,13,
15,18,25 98:3,13,
19,22 99:2,11,14,
17,20 100:25
101:9,15 103:1,4,
7,14 104:24
106:11 107:9
109:1,9,15,19,23
110:4,12 112:4,8,
17 113:18 114:11
115:21,22,24
116:16 118:16
119:25 121:16,21,
22 123:7 124:21,
25 125:10,13,17
126:3 130:19,22
131:2,6,20,24
132:2,5,10,12,20
133:13,16,19,24
134:2,5,8,12,17,
20,24 135:6,14
138:19 147:16,19,
23,25 148:3,6,10,
21,24 149:11,15,
18 150:8,11,14,
18,21 151:6,10,
12,17,23 152:2,5,
18 153:9 157:11,
13,16,20,24
158:2,12 159:7,9,
12,20 160:22
162:8,12,21
164:2,13,17,23
166:6,22 167:1,8
168:2,5,12 169:8,
19 170:20,24
171:17,20,24
172:3,10,18
173:2,5,14,24
174:5 175:6,18,23
176:2,17,24
177:7,18 178:9
179:3,6,8,11,15
180:7,12,15,20,25
182:4,11,14,18,
19,24 183:2,6,7,
12,15,19,20,24
184:4,7,9,12,13,
21,23 185:3,7,8,
12,21 186:5
187:9,12,16,17,23
188:2 189:21
190:4,7,12,23
192:14 196:15,19,
24 197:2,6,11,14,
17 202:4,16
203:8,21 204:18
205:3,7 206:25
207:7,10,14
210:24 211:13,21,
24 212:7,16,23
213:24 214:1,5
216:16 217:19,22
218:18 219:10,19
220:15,18,25
224:7 225:13,17,
23
laws 37:1 57:11
77:7 90:17 91:5
lay 186:5
layout 116:4
lead 136:14,17
137:17,23 161:9
leap 27:1 70:1
learned 173:19
leave 9:25 10:11
leaves 50:12
left 20:20 122:8
143:17 173:11
178:7,8
left-hand 20:10
143:10
legal 60:11 124:10
125:7 162:25
legislation 90:11
91:5
Legislators'
56:10
lengths 26:20
letter 5:13,15 6:6,
7,9 19:5 43:6,7,9,
12,17,20,25 90:5,
7,8,20,23 91:1,11
92:12 94:9,15
95:24 97:8,9
104:25 139:1,2,
10,11 140:2
153:17 159:3
160:2 162:24
163:2,4,9,10,15,
20 164:5,7 165:2,
6,10,11,14,16,21
166:2,9,14,16
167:18,20,22
174:19 178:24
letters 90:15
91:23 92:5 118:4
letting 158:24
level 21:12,13,15,
17 208:18
liaison 41:13,20
136:17 198:14
life 66:16,18
108:13
lifeblood 63:4
limited 120:16
217:22
lines 29:18
link 169:16,21
171:1
list 143:13,21
145:20 146:8
178:18 214:22
listed 173:12
lists 92:2 215:11
litigated 210:23
loaded 77:11
local 41:9,10
200:4
logging 132:17
long 37:19 43:17
50:13,22 55:21
86:7,13 119:6
136:4 163:7 168:8
198:1
long-time 66:12
longer 26:23
128:8
longevity 32:22
33:24,25 34:6,12
140:16 144:13,17
145:10 148:13,16
152:8 190:16,20
199:20 209:25
225:9
longstanding
112:21
looked 18:9 22:6
30:17 50:24 52:1,
10 104:4 142:7,10
149:22 165:10
lose 11:17

lot 18:15 40:8 63:8
72:15 78:19 79:22
93:3 146:3 170:2
192:3 203:1

love 40:9 77:13

low 32:10 65:23
128:16 155:1

lower 35:10 75:25
78:15 102:19
129:13 155:10,21
194:1

lowered 75:12
76:18 225:11

lowest 52:14
63:10,11

LOYA 3:7

lucky 11:23

lumped 109:6

lunch 95:9 98:23
99:8,15,19

M

M-O-R-E-N-Z

7:24

made 38:4 83:20
98:13,14 122:15,
19,22 168:21
187:4 189:16
190:10 191:11
193:25 194:10

mail 92:7

main 90:8

maintain 36:15
96:16 128:18

maintained 43:22

major 56:6

majority 79:16
90:23 92:23
100:16 131:16,17

make 31:5 47:5
48:14 52:25 53:14
81:15 93:8 99:13
118:3 122:3

137:24 141:14
149:18 151:17
156:22,24 166:13
169:11 171:22
175:5 187:18
189:19 191:10
195:2 198:18
211:21

makes 42:1 56:13
215:2

making 11:20
39:11 53:23 76:11
91:3 103:23
142:18

management
56:3,4,25 161:18
197:24 198:25

manager 197:23

mandate 36:25

manual 70:19

manually 64:21

manufactures
65:12

March 6:6 91:10

mark 179:19
181:9

marked 5:3 6:3
18:21 81:5 89:15
93:20 95:20
103:13 106:10,14,
15 121:20 122:8
123:6 138:17
153:8 158:10
159:18 162:19
164:22 167:7
168:11 174:22
176:22 181:8
182:16 183:4,17
184:10 185:5,11
212:21

match 31:16
75:23 108:23,25
110:1 111:12

matches 110:1
195:25

matching 195:15

material 47:1
70:3

materials 113:12,
13 120:10

math 40:7,9,12,14

matter 2:7 7:8,10,
15 64:7 84:5
132:23 137:14
160:6 204:4
215:13

matters 10:16
158:25

maximum 210:6

meaning 64:5

means 111:3
116:16 223:19,20
225:1

meantime 181:7

measure 102:16

mediums 57:25

meet 109:22,23
146:7

meeting 10:19

member 56:3,4,
15,21 58:15 64:23
67:2 72:4,14 73:5,
6,7 76:17 85:22
87:10 88:14
191:12 194:20
195:25 201:19
202:12,25 205:14,
17 206:1,2,5,13,
16,22 207:25
208:3,17 209:9,11
210:5 222:24
223:14 224:2,18
225:10

member's 58:21
59:20 66:7,15
73:9 146:18
190:11 203:25
210:9 211:10,18
212:3 214:16,17,
18

members 46:5,6,
7 47:19,21 52:12,
15 56:14,19 57:3
62:2 63:17,23
64:22 71:4,11
78:14,16 86:6
94:6 100:1,3,7,12,
13 107:20 112:23
143:22 146:4
155:20 213:9
214:20

membership
52:14 57:3,4,10

mention 10:8
53:1 115:22 215:2

mentioned 10:8,9
30:21 57:5 69:20
70:14 71:1,12
72:24 78:2 80:12
86:2 91:23 123:16
211:2 217:13

mentioning
28:24 107:14

mentions 78:22
211:18

mere 39:22

met 138:4

method 18:2
73:20

methods 71:20
88:5

microphone
135:11

Microsoft 11:24
169:24

mid-2000's 57:9

middle 100:5
141:19

midway 13:22
114:19,20

million 64:22
112:23

millions 52:12

mind 172:7 205:8

215:18,19
minimal 80:22
minimum 43:18
minute 32:13 48:5
157:18 172:20
minutes 19:3
33:3 45:5 98:23
130:18,21 131:3
132:18 157:19,20,
23,25
miscalculation
211:10,18 212:2
214:16,17
misheard 28:19
38:19
misreported
81:17
misreporting
215:4
missing 80:15
207:11
misspoke 152:3
misstates 218:5
mistake 133:10
mistaken 212:6
moment 41:3
133:17
momentarily
10:22
money 21:13
month 23:21
25:18 26:6,8,18,
22,23 27:3,4
28:14 33:16,19
37:24 40:3,19,22
42:14,21 43:11,16
49:12,13,25 50:1,
7,8 61:5,6 62:11
66:17 68:12
70:13,20 72:12
74:24 75:1,22
76:11 79:17 80:3,
4,7,8,9,11,15,18,
22 86:9 87:5

88:17 96:17
110:20 115:6,15
116:8 150:12
156:2,5,8 189:8,9,
25 190:2,6,13,22,
24 191:13,15
192:9 196:9 201:8
202:20 206:4
209:2,3 210:1,6
222:5 223:2,23
224:23
monthly 12:17
14:1 15:18 16:17
17:1,13,14,18,21
18:10 20:15 21:5
22:1,4,8,9 23:3,7,
8,11 25:1,4,5,12,
13 30:21,24 31:23
32:15,17,25 35:4,
8,15,17,23,25
36:4,8,14 39:14
43:3,16 50:14,19
51:15 53:20
58:13,16,19 59:1,
2,8,14,19,22,25
60:22 61:11,12
62:14 65:1,8,9,13,
18 66:1,6,16 67:5
68:11,19,24 69:16
72:1 73:14 77:18
85:21 87:5 89:5
105:17,22 106:2,
23 107:1,2,15
108:3,10 109:12,
14,17,20 110:17,
25 111:4,5,15,16,
17,18 112:1,15
115:4,10 116:7,
19,20 117:2,6
126:8,16,22,23
127:6,12,22
128:6,8,15,16,20,
24 129:5,8,18,25
130:3,4,12 140:20
142:10 144:5
149:1,4,9,10
150:5,23 152:11
155:1,19 182:9
189:4,5,17 191:3,
4 193:10,17,18
194:3,6,16,24
195:3,9,18 196:1
199:22 200:5,8,

12,14,16,18,23
204:6,14,16 206:4
207:21,24 208:21
221:17 222:1
223:10,25 224:8,
10 225:5
monthly/hourly
126:13
months 26:20,25
47:24 49:14 50:3,
6 51:16,17,20,24
59:14,16,24 79:7,
20,23 80:14,20
86:3,11,13,14,15,
18 87:1,9,11,13,
23 88:14,18
100:10 137:3,4,5
161:12 181:23
189:14,19 193:7
201:20 202:12,18,
20 204:5,25 205:6
207:20 208:1,3,
21,25 209:2,9
222:10,11,25
Morenz 3:9 7:21,
23,24 11:17 12:5,
7 114:13
morning 7:5,14,
18,23 8:1,4,7 9:3
10:25 101:22
113:11 114:4
118:20 178:7
179:2
Morrison 3:8 8:2,
4,5,10,19,25 9:23
10:1,13,16,17
11:1,4,18,21,22
12:8,9,25 13:6,12,
15,18,22,25 14:4
15:17,20,24
16:21,24 17:10,
13,15,20 18:12,17
19:6,10,15,22
20:2,4,7,15,19,22
21:3,11,19,22,25
22:11,15,20 23:2,
15,19,22,24 24:7,
11,22,24 25:8
26:4,15,19,22,25
27:9,15,19,21
28:4,10,12,16,18,

21,24 29:3,14,20,
25 30:8,14,19,23
31:8,10,14,20,24
32:4,9,20 33:5,9,
13,16,20,24 34:1,
5,10,12,19,24
35:24 36:6,18
37:9,12,16 38:7,
10,15,18,21 39:1,
6,10 40:6,10,13,
16,25 41:2,18,22
42:13,17,21 43:6,
14 45:4 52:23
60:10 67:6 82:16
83:9,12 84:10
89:22,25 91:17
94:21 97:14 98:4
99:5,16,18,23
100:14 101:5,11,
12,18 103:3,6,8,
15 105:1,2
106:12,17 107:11
110:14 112:9,20
113:1,21 114:2,
13,15 116:14,21
118:18 120:5
121:18 122:1
123:8 124:14,21,
24 125:3,21
126:5,6 130:17,
20,24 131:4,9
132:2,3 135:9
147:18 151:21,24
152:4,17 157:12
159:8 160:23
162:7,25 163:16,
21,25 164:3,9,12
165:11 166:17,20
168:1,17,25
169:2,7,10,18,23
170:5,25 171:16,
22 172:5,13 173:7
174:15 175:5,7
176:1,3,19 177:1,
13 180:2 181:10
182:2,11,13,24
183:1,12,14
184:4,6,8,24,25
185:21,23 187:10,
11 188:3,4,7
190:19 191:1
192:16 196:11,18
210:16 211:12

212:15,24 213:4,
24,25 214:4,10
218:4 219:17
220:3,12,17
225:14,16

MOU 135:19
136:2

MOUS 198:17

move 89:12
128:19,20 176:16

moved 175:2

moving 52:11
128:21

multiple 175:15,
16

multiplication
25:10 68:6

multiplied 16:15,
25 31:12 38:15,18
112:1 152:15
194:14

multiplies 64:25

multiply 18:5
25:3,10 27:24
28:5,13 29:9 35:6
60:1 68:10,16,23
69:8 70:12 73:8
129:4 151:13

multiplying 69:9
149:4

multitude 205:13

mute 203:11

muted 8:3

mycalpers 70:17
85:3 92:9 144:7
186:16

N

Nam 9:4 158:23

named 17:5

names 143:9

nature 37:1

necessarily

22:18 111:8

negotiate 16:7

negotiated 14:5
129:12,14,19,21,
22 131:7

Nguyen 9:4,23
158:23

nominal 26:6

non-school
215:16

noncertificated
92:13

nonteachers
62:5

nonteaching
12:18

normal 61:9
71:22 106:23
107:1,14,15
109:16 110:25
111:4,5,17 146:2
195:9

notation 176:11

note 21:3 23:4
26:20 30:20 31:5
41:24 44:12 53:11
98:13 151:17
166:18 211:22

noted 53:5 149:10
158:21 174:21
217:11

notes 43:9

notice 46:8
124:11 125:1,18
165:7 173:15,20
175:10

noticed 22:1
127:17 175:10
214:3

notification
158:19,22 160:2

Notifications
5:10

number 12:11,12
13:23 15:24 16:15
20:1,11 22:10
24:3,8,25 25:1,3,
4,9,11,13,15
26:10 27:1,13,25
28:6,24 31:12
40:19 42:23 43:1
46:3 63:1 70:13
82:23 86:11
107:13 112:10,14
113:12 114:7
115:5 120:20
121:3 122:4
124:18 127:15
139:20 144:2
149:2,11,20
151:14 152:1
170:11 171:5
175:8 176:3,20
179:1 201:19
202:18 213:6
215:12

numbered
172:11,14,17

numbering
103:17

numbers 16:16
18:14 22:3,4
29:24 31:16 69:9
126:23,25 149:23
150:6 172:7
176:18,21 178:18
195:21

numerous
165:25

nuts 45:11

O

O2 106:15

OAH 2:9 44:23
46:13 53:24
181:2,5 225:19

OAH's 179:16

oath 54:25 101:14
134:13 197:7

object 60:10
124:9

objection 52:24
53:12 67:7,17,20
82:17 84:13 91:17
94:21 97:14 98:4,
15 125:14 147:18
162:7 164:3 168:1
169:10 171:16,20,
22 185:2 210:17
219:4,17 220:4,16
221:2

objections 91:16
97:13 98:3 147:16
157:11,12 159:7,8
160:22 166:21
187:9,11

observation
13:17 140:19
144:13 146:13,17
161:13

observations
136:19 137:25
138:2,5 140:13,
16,18 145:13
153:19,20 160:11

observe 15:12
132:8 196:21

obtain 169:12

obtained 147:11

occupied 176:21

occurred 173:18

occurrence
11:24

October 209:23

offered 165:12
172:15

offering 171:18
172:14

office 7:7,12
41:10,11 71:15,17
92:24 119:22
136:15 139:2
153:15 186:18
198:8

officer 14:19,22,
23 55:19
officers 57:17
offices 42:2 56:20
57:24 92:3 94:10
official 46:8
124:10 125:1,18
173:15,20
officials 57:19
offline 174:13
online 72:11
180:11
open 62:12
160:10 178:11
180:9
opening 8:8,10,
14,18 11:21 13:21
45:12 210:21
214:14
operative 47:4
171:14
opinion 50:19
opposed 61:21
66:11 86:18 87:2
116:20
opposing 175:12
opposition 133:5
option 130:6
options 161:22
oral 48:11
Orange 41:6,11,
12,17,18,22 42:6,
8,20,25 43:8,24
44:1,4 119:18,22
120:7 144:9
order 8:21 9:2
84:3 136:17,18
137:24 138:4
144:23 146:9
148:15 170:23
183:9 192:18
ordering 49:8

ordinarily 225:17
organization
22:3
organize 130:25
organized 21:8
original 46:2,20
47:20 51:9 207:4
originally 68:9
Ostrander 165:3,
15
outlined 136:20
137:9,22 138:5
139:23 143:20
158:25
outlining 153:18
160:4
outreach 56:18
57:5
overlap 175:17
overly 105:24
overpaying 35:2,
11,22 36:5,11
overreported
51:4 52:8 155:7
221:20
overreporting
51:1
override 83:15
overruled 60:12
67:18,20 84:13
98:15 219:19
oversee 56:1
198:4
overtime 43:18
76:3,4 109:25
204:8

P

p.m. 2:18 225:24
P.O. 3:4

pages 19:10
153:25 169:4,8
170:17,20 173:10,
15 175:20 178:25
179:1,4
paginated 178:1
pagination 213:2
paginations
173:13,21
paid 16:3 17:24
52:15 53:24,25
63:11 70:21
73:22,23 76:6,14
79:22 86:3 107:16
110:19,23 111:6,
9,15,19 127:22
129:18 145:24
146:4 155:15
188:24 189:1,5
190:13 191:8,12
192:9,11 193:4
194:20 195:25
201:8 203:18

paragraph
114:20 154:24
156:1 211:8

parameters
51:13

pardon 130:19
151:6 179:12
212:16

part 22:25 23:6,24
31:21 47:21 78:3
90:1 92:18 100:6
111:24 136:8
142:16 143:3
144:12,19 147:11,
12 149:13,21
153:22 156:12
160:24 165:7
169:3 198:11
207:12 210:22
211:11 212:3,4
216:2,3

participate
136:21 137:13

parties 172:6

parts 52:11
169:15
passed 122:24
past 172:24
225:18
patient 17:9
pause 81:10
pay 5:21,22,23 6:4
12:21 14:1,4,5
15:18,25 16:2,25
17:1,12,13,14
18:3 22:24 32:15,
16,17 34:14,15
35:15,18,25
36:14,15 39:15
42:9 43:3,10,14
44:2,7,9 46:18,24
48:22,25 49:9,10,
11,13,15,22 50:3,
7,8,19,20,25 51:3
52:5,7,19,20 53:5,
7 54:2,4 58:8,11,
15,17 59:10,14,18
61:11,12 62:14
63:18 64:17,25
65:1,4,8,9,18,23,
24 66:5 68:1,2
69:15,16 71:4,11,
21,22 72:3,12,13,
17,25 73:4,15,24,
25 74:7,10,11,19
75:3,5,13,18,19,
25 76:7,11,18,22,
23 77:3,5,11,17,
18,19,21,24 80:2,
5,7,10,14,19 85:5,
21 86:8,14,17
87:1,4,12,23
88:10,15,16 96:2,
4,13,15,17,22
100:1,3 101:22
102:1,10,14,17,19
104:4 106:22,23
107:1,15 108:3,
10,17,21,24,25
109:3,5,7,8,10,11,
12,16,21,24
110:1,2,3,5,7,10
111:1,2,3,4,5,7,
12,17,18,20,25
112:16 115:10

116:23 117:2,6
126:24 127:9,12,
19,24 128:3,8,11,
15,16,18 129:5,8,
19,25 130:13
131:7,11 135:19
136:2 140:9,10,
15,17,21,23
141:1,3,6,8,9,12
142:7,10,16
143:18,19 144:5,
13,17,20,23
145:7,10,14,20
146:2 148:12,16
149:1,3,10,13,25
150:5,16 151:8
152:8,11,15,24
154:5 155:7,19
156:14 161:14
170:11 181:23
183:21 184:17
186:22,23 188:17,
23 189:1,11,20
190:10,11 191:9,
10,13,17,21
192:3,6,10,19,23,
24 193:1,5,11,17,
18,22 194:2,4,6,7,
14,25 195:1,10,14
199:14,15,17
200:8,9,10,12
201:2,7,10,11,13,
15,21 202:10
203:18,24,25
204:1,3,11,12,16
206:4 207:25
209:3,25 210:8,20
213:18 215:2,15
216:14,21,22,23
217:3,24 218:1,6,
13,16,22 219:8,15
220:23 221:15,17,
19,21,22,24
222:1,5,7,21
223:10,25 224:3,
8,9,10,13,20,25
225:5
paychecks 86:4
paying 34:23
43:18 73:10 76:16
155:5,11 190:21
191:6 201:6,9

222:4
payment 33:24
34:6,12 214:19
224:15 225:6
payments 32:22
47:22 85:24 86:7,
10 87:8 100:8
Payrate 2:7 6:15
7:11
payroll 57:1,10,
17,24 72:7,12
81:17 85:2,4
116:1 126:19
127:14 184:1
186:17 190:14
200:1 209:20
pays 39:4 56:14
72:4
PDF 13:2 19:19
81:1 84:18 86:21
87:25 89:13,23
93:17 95:14 98:2
138:16 139:14
141:18 143:9
147:6 153:6 154:2
158:9 161:3
162:16 166:15
167:4 168:9 171:9
173:10 178:6,25
183:9
Pelleriti 104:21
148:11 152:6
186:20 188:10,12,
24 189:4 190:21
191:15 192:20
199:18 200:5
201:6,16 204:5
209:24 215:5
222:8 223:1,18
224:17
Pelleriti's 181:23
191:8 199:14
216:10 217:1
223:8
pension 42:3
157:3 208:6
223:1,19,22
224:4,15,16

people 16:3 81:12
101:2 109:24
percent 69:18
73:7,8 223:1,14,
19,20,21
percentage 73:4
perfectly 225:18
perform 56:2,10
70:22
performed 47:25
79:8 100:10
period 32:16
51:24 71:24 72:12
74:3 75:15 78:4
82:7,20 83:22,25
85:4,6 87:11
143:18 149:13
191:13 206:6
periodically 94:3
periods 186:22
188:14 190:17
192:3
PERL 79:4 93:12
PERS 15:18 16:22
17:11 18:9,11
27:8,11,18 30:16
31:11 32:6 33:17
34:21,23 35:21
36:3 37:10 49:22
53:14 64:7 69:24
86:20 91:14
93:10,11 95:14
132:22 133:2,17
152:8 203:13,21
213:2,3
PERS's 37:12
64:6 152:14
person 74:23,25
76:20 162:25
225:19
personal 57:6
personnel 57:23
142:11
persons 51:15
160:1

perspective
48:18 79:10
144:16 186:4
pertain 199:6
pertaining 220:5,
6
pertains 169:7
176:8
pertinent 139:22
142:17
phone 24:2 69:6
81:9
phrase 103:10
pick 47:10
place 23:3 113:3
117:4 163:6 212:8
places 46:12
plan 161:21
plausible 36:9
point 11:3 34:2
38:2,4 48:5 57:8
83:24 103:2,5
122:19 152:1
154:17 157:18
165:8 195:6 216:8
points 83:13
policy 44:25
198:17
population 92:22
portion 86:14
169:5 170:19
176:8,14 214:14
posed 155:10
position 11:11
21:14 25:23 36:18
39:16 50:18,22
51:1,2 52:6,9
55:21,22,25 78:10
89:8 96:18 102:7,
10 112:2 133:9
135:17 142:1
192:18 195:10,14
198:1,23,24
200:25 216:11

217:8 218:1,12
219:6,14

positions 16:3
21:11,12 52:18
62:23 77:14 85:22

possibly 120:22

post 96:23 97:1

post-hearing
42:1

posted 186:22

posting 85:4

posts 85:3

potential 27:23
122:9

potentially 107:3
214:23

practice 156:9
163:3 192:25
196:5

practices 155:23
163:6

preceding 24:15
140:2

precise 69:25
129:25

precisely 203:23

precluded 76:2,5

preclusion 11:9

prefer 132:8

preference
36:13,23,24 37:10
39:22

preferences
44:18

preferred 73:20

preliminary
10:16 140:1
141:17 211:16

preponderance
133:21

present 11:10

88:25 214:3

presentation
8:21 82:1,17,22
83:14,16,20,24
88:23 98:7 113:12
120:10

presentations
82:14 89:1 98:8
120:4

presented 57:19
133:1

presume 69:24

presuming 85:9

pretty 117:10
130:24 145:11
198:25 204:4,5

prevent 72:16

Preventing 81:17

previous 136:25
165:10 166:14
195:7

previously
217:10

primarily 41:8
56:5 62:3,9 76:25
136:1,10,14

primary 158:20
201:25

print 48:6

prior 44:6 82:11
99:7 102:25
136:25 138:8
193:14 198:24

problem 12:3

problematic
195:7

problems 173:18

proceeding 7:15
15:5 34:6,13 84:1
107:17,21 108:18
137:11

proceedings
2:16 81:10 225:24

process 44:20
72:23 137:14,16
156:13 165:8,18,
22

processes 56:8

processing
214:18

product 25:10,14
31:19,20 149:4

prompted 77:20

pronoun 23:18

Pronounce 14:12

pronunciation
14:14

proof 132:22
133:1,17,20

proper 57:11 82:4
88:5 91:7 119:24
130:9 215:6

properly 86:5

propose 220:3

proposed 98:5
160:7 161:22

proposition
27:11

prove 83:6

provide 67:10
198:20

provided 47:12
98:7,9,10 104:5
142:12 143:6,22
147:9 149:25
171:1 199:13
217:18

providing 206:5

provisions
109:23

public 2:2 6:10
7:9 12:11 62:6,9
69:21 79:4 95:25
97:2 184:15 220:1

publication
219:25

publications

217:15
publicly 96:4,15,
25 108:17,20,23,
25 109:7,20

publish 96:23

published 110:8
136:15 137:6,19
158:17 160:5

pull 103:9 106:7
114:14 121:13
123:3 168:18

pulled 10:20
186:12

purchases 56:5

purpose 85:24
96:3,8,11 97:24
98:6 209:8

purposes 39:6
47:21 51:12 52:21
58:8 59:17 61:13
63:19 64:1 65:2
68:12,25 74:1,11
80:13 87:20 97:3
100:6 118:6
181:12 186:3
199:21 200:11
201:10 202:14
203:3,7 208:7,16,
18 209:5,13,14
217:2,3 225:12

put 24:5 31:14
33:8 45:12 48:13
54:6 75:9 83:22
112:12 116:9,12
119:2 169:20
170:3 179:18

putting 48:15

Q

qualified 209:12

qualify 57:3

question 32:23
44:1 51:21 57:2
92:10 101:10

112:17 113:19
117:20 125:22
128:1 129:7,24
133:3 151:24
155:8 162:16
189:22 190:9,12
193:14 194:4,23
202:16 203:20
205:9 219:11
220:4

questions 95:7
98:21 99:25
101:13 131:23
138:1 151:19
181:17 182:1
187:24,25 196:12,
13 204:21 219:7
224:5

quibbling 27:11,
13

quick 47:14
206:15,24 209:22

quickly 99:5

quote 47:1

quote/unquote
217:8

quoted 13:8,9
46:25

R

R2 123:9

raise 53:8,24
80:14

raised 78:14
211:4,11

range 18:4 20:9,
15,20 21:1,14
22:14 23:7 24:16
30:3,4,7,8,10,17
76:12,13 110:17
191:3 195:17
202:1,4 218:13

ranges 20:9 21:11
30:13

rank 74:6

rate 14:1,4,5
15:18 16:25 17:1,
12,13,14 18:3,10
29:15 32:8,10,15,
17,19 43:20
46:18,24 48:22
49:10,11,14,16,22
50:3,6,8,20,21,25
51:3 52:5,7,20
53:5,7 54:4 58:8,
11,14,15,17
59:10,18 61:11,12
62:15 63:18
64:17,25 65:1,7,8,
9,18,23,24 66:5
68:2 69:15,16
70:11 71:4,21,22
72:3,14,25 73:7,
12,24,25 74:1,8,
11,19 75:3,5,13,
18,19,25 76:11,
18,22,23 77:3,18
80:2,5,7,10,19
85:5,21 86:8,14
87:1,5,12 88:10,
16 96:2,17 100:1,
3 101:22 102:1,
11,14,17,19
106:22,23 107:1,
15 108:3,10,11,
23,24 109:4,7,10,
11,16,17,21
110:5,7 111:1,2,3,
4,5,7,12,17,18,20,
25 112:1 116:2,13
117:7 126:24
127:9,12,19,24
128:3,8,12,16,18,
24,25 129:5,9,10,
12,13,14,19
130:2,3,4,5,12,13
140:15,17 141:3,
7,8 144:6,18,20,
23 145:7,20 146:2
148:12,16 149:1,
4,10 150:5 151:8
152:12,15,24
154:5 155:1,4,11,
19 161:14 184:18
188:23 189:1,2,20
190:11 191:9,10,
17,21 192:6,10,
19,23,25 193:1,5,
17,18,22 194:2,4,
6,7,14,25 195:1,
10,13 199:17
200:8,9,10,12
201:10,13 202:10
203:18,24,25
204:8,12,16 206:4
210:8,20 213:18
215:2,15 216:14,
21,22,23 217:3
218:1,6,13,16
219:8,15 220:23
221:16,17,20,21,
24 222:1,6,21
223:10,11,25
224:3,8,9,10,11,
21 225:5

rates 12:20 16:2
35:15 39:14 43:2,
3 59:14 65:5
71:11 77:21,24
86:17 87:23 88:15
96:5,13,22
109:20,24 112:15
116:23 117:2
128:15 130:1
131:7,11 140:9,
10,21 141:1,12
142:16 143:19
145:15 149:25
155:7 170:11
186:23 193:10
217:24 218:22

ratio 128:19

reach 142:5 150:6
175:14

reaches 158:18

reaching 158:23
160:5

read 46:15 111:24
113:22,23 124:23
154:25 189:22,23
202:5 205:4

readers 215:18,
19

reading 103:24
111:24 138:24

ready 54:20

real 47:14 73:25
108:13 206:23

reality 37:20,22
108:4

realized 126:21

reason 25:21
104:6 107:24
108:8,12 110:18
126:17,24 131:25
132:3 146:19
196:15 214:13

reasons 79:21
214:12

rebuttal 97:20

Rec'd 5:3 6:3

recall 90:25 96:11
104:19 113:14
221:7

receive 17:3

received 91:20
94:25 97:17 98:18
122:25 147:22
157:15 159:11
162:11 164:16
165:22 166:25
168:4 172:2
182:17 183:5,18
184:11 185:6
187:15 189:9
190:2 218:15

receives 189:8,25

receiving 32:24
102:4 224:4

recent 163:14

recess 45:5,6
99:19 130:23
131:2,5 158:1
225:20

recitation 213:12

recognize 81:22
86:21 89:19 93:24
95:11 105:12,17
123:9 138:21
139:14 153:11
158:14 159:22

161:6,7 162:17
163:10 164:25
167:10 168:14
186:11 199:11

recollection
88:22 89:7
113:16,25 139:9
160:15

recommendation
194:1,10

**recommendation
s** 198:20

recommended
194:21

record 45:7 55:9
85:2 86:10 95:13
99:20 113:23
130:18,20 134:21
138:13 145:16
154:1 158:3
166:18 189:23
197:15 207:2

recorded 14:1
88:16 92:8

recording 214:15

records 22:25
59:7 126:19

Recross 4:3

red 103:16 106:15
118:11

redirect 4:3
131:21

reduce 130:12

reduction 214:21

refer 23:17 103:11
118:14 125:24
219:23

reference 6:11
13:22 53:2 102:23
107:14,16,19,23
108:16 115:12,14
117:21 118:1
124:1 156:1
184:15 211:6
214:13 215:9,11

217:1 220:1

referenced 120:3
178:4 199:23
212:14

references 213:7

referencing
177:17 220:7

referred 212:11
219:24

referring 13:12
41:10 206:18
220:13

refers 103:18,21
215:15

reflect 47:4

reflected 110:17,
23 113:13 119:8,9
191:2

reflection 15:5

reflects 25:17
128:8

refresher 94:2

regional 56:20

regular 54:8

regularly 179:17

regulation 36:20
39:12,19 44:10,
17,24 45:1 83:14,
15,17 119:9
123:11,12 124:2,
7,19 125:1,5
126:4 144:20,23
145:21 146:8

regulations 6:20
12:20 16:2 52:17
96:24 113:8
115:17 123:21
125:24 139:23
141:7,9,14 142:17
157:2 165:13

regulatory 36:25
44:19

reinforce 91:2,5
94:5

reinforcement
94:7

reject 45:2

related 48:19
57:11 82:8 89:10
116:19 119:11
219:14

relates 48:21

relationship
16:19 24:24,25
30:24 35:3,14
36:16 39:14 43:2
50:25 52:5 102:18
128:14 129:25
130:1 193:10,11,
15,16,21 195:21
216:22 218:2
220:22 222:15

released 131:25
132:6 196:16,20

relevance 67:7,
12 82:17 83:16
219:17 220:16

relevant 75:6
82:25 84:1 98:11
170:19 216:14
220:19

rely 171:15

remember 38:7
63:1 101:22
149:12 161:7
181:7 194:9
213:10

remind 33:14
134:10 150:8

remit 191:17

remotely 2:17

remove 170:16

rendered 47:23
100:8 107:24
208:14

Renee 165:15

renew 98:4

renumbered
18:18

rep 9:13 10:24
11:7

repeat 104:9

repeating 205:8

rephrase 104:10

report 5:6,8,19
22:20 33:11
50:10,11 52:24
58:15 62:13 63:5
65:4,8 71:13,14,
17,20 72:3,11
75:10,12 76:23
77:2 79:19 80:1
96:17 110:7
115:4,6 116:6
127:12,14 136:20,
25 137:2,4,5,18,
22 138:2,6,7,15
139:3,7,18,24
140:13 141:17
142:25 143:23
144:10 146:21
147:1,12 153:16
158:17 160:5
163:11 169:11
170:7 171:5,14
174:4,5,12 176:13
177:24 178:24
179:23 181:22
188:22 189:1
191:7,17,20
192:8,10,18,19,22
194:22 200:2,17
211:1 212:5,6
213:15 221:22,25
222:2 225:4

reportable 76:4
110:3 145:21,25
198:10,19

reported 2:20
15:18 32:15,17
47:24 49:10,16,22
50:4,22 53:15
58:17 63:24 64:11
70:11 72:13,24
73:14 74:8,9
75:21 76:7,20
80:2,11,19 85:19
86:8,14 87:8 96:5,

14 100:9 108:24
116:1,2,7 127:7,
24 129:5,19
140:10,15,22
141:12 143:20
144:5,8,18,24
145:6,10 146:10
148:12 150:23
152:7 155:16,20
156:21 185:15
186:17,23 187:1
190:6,15,18
191:22 192:1,5
193:5 194:16
199:17 200:5,11,
14 209:20 217:24
218:22 220:6
223:9 224:20

reporter 2:22
25:7 73:18 99:1
113:24 189:24
223:17

reporters 67:19

reporting 2:7
7:11 32:7,10,19
50:13 53:21 57:1,
10,11 58:8 63:3,4,
9 69:13,14 71:1,3,
4,10,11,18,21,22,
25 72:1,16 73:20
78:13,23 79:9,20,
21 82:4 85:14
86:5 87:1 88:5,7
89:5,10 91:6,8
93:4,7 94:11,12
110:5 115:1,4,6
116:19,20 117:11
119:24 141:5
142:1 145:1
146:11 156:5
161:11,14 177:22
181:22 185:20
186:4 194:25
198:9 200:1,3,6,
20 202:10,13
203:3 204:22
206:3 210:8 211:9
212:2 213:23
216:10 219:8
224:3 225:8,9

reports 59:18

65:13 69:11 71:15
223:5

represent 88:11,
13 110:15 115:7
116:7 120:20
122:5 131:9

representative
9:6,9,12,21 11:13

represented
116:9

representing
127:3

represents 9:21
58:12 115:5

reps 11:10

request 11:4 15:4
46:8,11 173:15,20
187:8

requested 64:7
129:17

requests 54:11
91:15 94:17
97:11,21 147:15
157:9 159:5
160:8,21 162:5
163:23 166:11
167:24

require 39:17,20
44:14 128:17
206:20

required 12:16
29:1

requirement
36:25 44:24 50:9
78:8 127:15

requirements
44:16,17 144:22
146:9

requires 12:20
39:12 61:21 96:9
128:14 193:10

requiring 36:6
44:9 130:2

resolution 130:9
135:20,23 137:13

138:1 143:3
156:12 160:7
161:22 162:2
197:25 198:7

resolutions
136:10 142:18
155:10

resolve 130:8
136:18 138:5
145:13 158:25
160:6 161:22
198:14

resolved 125:15
140:23 160:11

resolving 135:25
161:10

resource 138:3

Resources
123:14,16,24
124:8 125:2,20

respect 36:21
52:25 188:8
213:14 215:3,20
216:9

respective 180:3

respond 142:21,
24 213:4

respondent 2:10
3:7 101:1 217:23

respondent's
6:14 18:20 103:12
106:9 121:19
123:5 172:1

Respondents'
177:11

response 5:8
11:8 143:2
153:14,15,19
154:9,12,17 157:7
163:15 164:5
165:13 178:2
214:2,8

responses 143:6

responsible
56:20

rest 66:16 97:19
117:14 181:17
187:20

resulted 51:1

retire 77:20

retired 143:16
214:20

retirees 52:13

retirement 2:2
7:9 52:12,21 56:7,
9,10,22 58:22
59:12 61:12 63:5,
7,12,19 64:1 66:9,
10,15 68:11,25
69:17 72:21 73:5
74:11,21 77:9
79:5 87:11 119:12
145:3 146:6
156:24,25 196:6
214:17,18,19
222:17,21 223:8,
15

retirements
70:20

return 157:24

review 5:10 6:16
57:2 72:13,19
77:24 127:10
128:10 135:19
136:5,7,13 145:1
154:11 165:7
205:11

reviewed 82:11
124:6 138:7,9
142:4,6 143:2
153:19,21 155:16
199:5

reviewing 145:9
189:11 198:17

reviews 57:3
77:19 136:2,3

right-hand 20:11
143:10

rights 165:12

Robert 2:4,19 7:6

role 57:16 90:22
137:16 156:19
157:3
ROMO 3:7
room 132:15
rotate 89:14
rounded 29:7
31:2 121:5
row 30:10,11
RPR 2:21
rule 64:21 70:15
119:5
rules 64:23 70:16,
18,21 77:6,10
93:4,7 94:5 123:1
ruling 219:7
run 128:22 157:22
RUUD 3:7

S

S-A-M-U-E-L
134:22
S-U-I-N-E 55:10
Sacramento 3:4
41:4
sake 164:4
salary 6:17 16:8,
12,14,17 17:2,22
18:4,5 19:7,11,16
20:9,15 21:4,6
22:1,2,4,8,9 23:3
24:17 25:1,2,4,5,
9,12,14,16,20,23
26:5,12 30:1,21
32:8,25 33:10
34:14 35:8,10
68:11 74:7 77:21,
25 96:18 105:5,
13,17,23,25 106:2
107:2 110:17,23
111:15,16,18
126:8,9,15,16,22,
23 127:6,22
128:2,6,8,12

129:3 131:18
145:19 148:19
181:21 182:7,21
183:9 189:5,17
191:3,4 195:16,
18,22 196:1
198:18 201:15
218:13
Sam 10:25 132:14
138:21
sample 6:4 51:4
67:7 68:1 103:5,7
104:4,13 108:6
143:13 184:14,17
194:20 200:12
201:2,7,21 204:2
207:25 222:7
sampled 23:5
36:22 50:19 51:23
102:22,25 103:3,
18 104:7,12,16,20
107:25 110:16
127:8,21 130:13
143:21 150:1
183:22 184:2,3,16
185:15,17 188:9
207:23
samples 170:12
sampling 102:23
103:2
Samuel 4:5
134:15,22
sandbag 215:25
sandbagged
217:8
schedule 15:25
16:12,14,17 17:2,
22 18:4 19:17
20:10,16 21:4,6
22:1,2,8,9 23:4
24:17 25:1,2,3,4,
5,9,12,14,16,20,
24 26:5,12 30:1,
21,25 32:25 34:14
35:9,11 50:2 52:3
58:18 61:9 62:14
68:15 69:19 74:7
77:5,19,21 96:18

105:13,18 107:2
108:24,25 109:8,
20 110:1,2,10,18,
23 111:15,16,18
114:21 115:25
126:8,9,15,16,22,
24 127:6,22
128:2,6,7,8,12
129:3 135:19
136:2 140:23
182:22 183:10
189:5,12,17
191:3,5 195:16,18
196:1 218:13
schedules 5:21,
22,24 6:17 16:8
18:6 19:7,11
62:11 69:20
77:11,17,25 96:4,
15 105:5,23,25
106:2 108:18,21
109:5 110:11
131:18 141:9
142:7,10 149:3
150:17 152:24
181:21 182:7
195:22 198:18
school 2:9 7:11,
25 8:6 9:21 12:21
16:6,8 19:12 32:7
36:20 40:15 41:5,
22 42:4,19 46:6,7
47:19 57:16,17,
18,19,23 60:15
62:3,17 63:1,9,10,
13,15,21,22,24
64:6,14,16,17,19,
24 65:3,12 69:23
72:9 73:21 77:2
78:13,16 79:11,
12,14,19,22 80:10
82:2,3 83:24 86:2,
8 88:5 91:3,4,25
92:4,14,23,24
94:4 100:23
105:13,14,18,19,
22 106:1 109:19
110:5 113:9 118:1
119:23 124:16,18,
20 125:5,18
126:1,8 127:19
131:13,14 139:19

140:6 186:19
200:4 208:23
209:12 213:8
220:1 222:24
224:18
schools 6:10 41:9
52:13 62:1,17
71:13 78:19,21
81:18 82:8 86:5
90:6 91:24 95:25
144:9 184:15
scope 124:12
139:22 140:8
scratchy 135:9
screen 22:11
47:13 60:7 80:25
85:11,23 138:12
170:1 173:11
177:1,22 178:21
185:14 186:10
199:10 207:18
208:8 211:6
screens 181:22
screenshot
147:8 186:16,20
screwed 173:21
scroll 20:19
106:15 115:23
117:8,14 122:3
153:24 156:11
159:15
scrolled 143:8
scrolling 146:24
secondary
198:16
secretarial 53:24
section 6:18 46:3,
24 47:6 51:8 52:4
57:15 60:6,14,15
136:9 197:25
198:5 213:8
215:10,11,14
sections 6:21
78:23 198:5
sector 62:10

sectors 62:2,9	19,22 207:20	showed 18:6	skips 177:25
segment 90:10	208:11,13 209:1, 4,12,16,18 210:5, 6,10,11,18,22 211:3,10,19,25 212:3,4 213:14,20 214:11,16 215:3, 4,6,20,23,25 216:9,14,22 217:5,17 218:2,7, 14,19,25 219:4,9, 13,22 220:24 221:1 222:16,20	showing 24:12 47:17 60:9 97:24 98:6 122:2 171:1 176:3,4 207:18	slide 81:16 82:6 83:7 84:24 85:9, 25 86:21 87:24 88:3 89:9
selections 6:10 184:16		shown 22:17 84:24 143:16	slides 89:2 97:23 113:15
send 72:7,11 90:14 110:6		shows 29:25 85:4 151:10 173:14 181:23 186:17	slightly 70:2
sends 117:4		shy 206:10,22	small 72:10 159:17 169:5 170:18
senior 135:18		side 20:10,11 39:4 102:7,8,9 143:10, 11 145:9 181:15 193:25 218:8,9	smaller 22:5
sense 187:18 205:21 209:6	services 14:20,24 15:1,2 47:23 55:19 56:7,22 100:8 107:23 136:16 139:2 153:15 198:8,25 208:14	sides 100:22	solely 85:16
sentence 100:2,5 108:17 114:21 148:25 152:10 154:23 155:25 163:13	set 41:7 43:19 78:17 156:6 160:9 218:8 221:6	sign 15:13 132:7,9 196:20	solution 44:13
sentences 99:25	sets 176:22 195:21	significance 21:10 51:18	someone's 209:15 222:21
separate 36:10 49:13 54:6 105:22 145:14 148:15 149:24	setting 160:5,7	similar 21:7 71:16 82:14 83:20 88:23 98:8,10	sophisticated 72:6
separated 144:24	share 27:20 47:13 60:7 81:1 137:7 138:12,16 186:9 199:10 211:5	similarly 107:20	Soria 9:25 10:3,7, 14 14:9
separately 144:21	shared 142:13	simple 24:1 145:11	sort 26:9 44:7 94:2 122:24 147:8 179:17
September 2:19 7:1,14 87:8 176:5	sharing 81:18 153:4,5 167:12 168:15 170:1 173:9 211:15	simply 16:4 21:15 25:17 39:24 43:25 44:11 84:3 193:21 204:12 215:11	sounds 10:14 22:12 175:21
sequestered 9:7 11:5	sheet 81:16 224:13	single 170:10	span 79:13
sequestration 8:21 9:3	shifts 132:25	sir 8:2 15:16 54:25 99:14 132:6 134:6,13 196:20, 22 197:1 213:3	spanned 87:6
serve 41:13 42:2	short 26:22	sited 169:24	speak 150:3 168:22
served 46:13	Shorthand 2:22	sites 57:18	speaking 19:4,6 48:21 84:24 135:12 140:5 209:19 223:25
service 48:24 51:2,3,11,14,16, 17,19 52:5,7,25 53:1,8,9 56:2,5 59:8 60:1 71:24 72:25 74:16,20,25 75:6,14,16,17,23 76:3 86:15 88:17 102:3,12,15,17,20 110:20 111:6 156:23 186:22 197:23 205:19,20, 24 206:3,6,9,10,	shortly 10:24	situated 107:20	speaks 96:1 215:2
	shoved 87:7	situation 52:1 155:9 222:5	special 62:7 72:2, 25 85:7 96:2 109:6 141:13 144:21,23 145:14, 17,18 146:1,4,9, 11 186:24
	show 18:14 26:10 47:14 67:8 80:24 177:18 178:9 185:14,18 186:3	situations 100:17	specific 12:20 16:2,3,15 22:6
		size 169:15	

78:6 104:2 136:16
137:18 143:14
145:20 146:8
159:3 161:13,23
213:16 214:25
216:22

specifically

60:13 119:16
126:1 140:10,14
141:6,12 142:9
143:21 144:20
145:24 146:7
155:14 158:23
159:25 211:8
212:1 213:23

speculating

107:5

spell 55:9 134:21
197:15

spelled 89:9

spelling 104:23

spoke 118:20

staff 53:25 179:16
197:23 198:25

stamp 89:25
93:19 213:3

standard 69:13
133:20 156:8
160:12 167:18,20

standardly 70:4

Standards 43:19

standby 9:16

start 18:15 23:3
29:7 35:5,8 37:8
61:19 79:15
114:16 121:15
126:25 158:24
160:13 174:16
194:24 214:7

started 38:11
119:4 165:22

starting 150:7
195:6

starts 106:22
148:1 165:17

174:23 177:2,8
184:18 185:8

state 2:3,23 7:7,
17 41:4,6 42:3
53:16 55:8 56:21
62:5 71:16,17
123:13 124:8
134:20 197:14

stated 107:2
188:16 189:13,17

statement 5:4
8:11,14,18 11:21
12:24 13:1,10,21,
25 31:25 32:14
33:22 45:13,17,
23,25 46:2 47:5,
13,20 51:9 60:8
61:15 78:25 118:3
179:25 207:4
210:21 211:3
212:8,12,18
213:2,6,22 215:9
216:4 217:11,20
218:5

statements 8:9

states 13:17
64:13 87:22 96:1,
24,25 105:20

stating 64:9

statute 36:19
39:12,18 44:10,16
45:1 47:3,4 48:18,
19 51:14 83:14,
15,17 119:9,13
126:4 144:19
157:1 208:21

statutes 12:20
15:23 16:1 52:17
96:3 115:18
119:11 125:24
139:22 141:7,9,14
142:17 165:12
213:12 215:12

statutory 36:25
44:19 213:7

stay 15:11 93:11
132:7 196:21
225:18

staying 9:4,14,18

step 10:5 18:4
21:2,20,21 23:7
30:9,17 191:3
195:17 218:12

steps 21:18 30:13
182:9

Stine 42:7

stipulate 170:18
181:20,24 182:12,
25 183:13 184:5,
23 185:22

stop 140:25
146:15 153:4
196:12 203:19

straighten 181:6
187:19

strange 173:25

Street 3:3

strike 47:8 57:13
71:2 201:4 222:19

structure 41:7

structured 26:5

structuring 25:23

subdivision
61:15,21 99:24
109:15

subject 16:5 78:7
97:20 141:20
167:5 221:14

submit 134:9

submitted 166:2

subparagraph
106:19

subsection
208:12

subsections
47:6

substantive
45:14

subtract 210:3

succession

87:24

suggest 18:12
33:5 83:19 187:19

suggesting

192:8

suggestion

175:5

suggests 133:20

Suine 4:4 9:15
10:22 14:11,14,
17,19,22,24 15:2,
3,15 48:16 54:16,
22,23 55:1,3,10,
17 58:4 65:17
81:23 84:17 89:19
90:4 93:24 95:7,
11 97:6,20 98:21
99:8,11 101:13,19
103:19 105:9
110:15 114:17
122:2 125:4,11,22
131:23,25 132:6

Suite 3:11

summer 80:10

superintendent
41:9 90:6 100:23

support 14:20,24
15:2 55:20 81:12

supposed 9:2,24
33:11 79:25

survivor 56:12,14

suspect 34:24

sustain 219:4
221:2

swimmingly 12:2

switch 105:3

sworn 55:5
134:17 197:11

SY 6:17

system 2:2 7:9
56:10 63:11
64:23,25 70:17,22
72:5,7,8 77:12

85:3 92:8,9 117:5
123:2 140:10,11,
15 144:7,24
145:7,8 146:1,10
155:17,20 156:6,
9,21 157:4 185:14
186:17,18 191:20
192:2 209:20

systems 42:3
64:20

T

tab 180:15,17,20
181:1

table 204:24

tabs 180:21

TAKEDA 3:9

taking 16:11
75:18 93:16 122:7
130:2 143:3 195:5
222:3 225:2

talk 41:2 184:17
185:18

talked 77:9
109:13 114:3,4
200:3

talking 13:11
20:14,25 22:17,19
29:18 67:12 74:15
78:7 85:23 89:4
101:21 116:3
128:13 161:15
173:2,5 194:12
195:3 196:2 225:8

talks 47:20 114:21

tasked 141:4

teacher 93:4,6

teachers 92:17,
18,19 93:10
131:16

team 11:8 77:23
136:8 161:19
162:25 198:11

Teams 2:17 11:25

169:24

tech 81:11

technically 79:25
203:15 204:1
225:9

technicians
57:17

telling 13:20
15:21 37:8 47:9
49:1,8 64:15
71:25 127:13
172:11

tells 117:6 148:25
200:13 202:11

ten 45:5 51:15,17,
20 59:21 68:23
80:1 130:18
157:20,23,25
189:14,18 195:6
200:9

tend 143:5 155:4

tenure 74:6

Terkeurst 2:21
99:3

term 53:1 96:21
103:1 213:20

terms 9:1 22:2
36:14 50:10 59:8

test 64:3

testified 15:12
55:6 104:3 113:11
126:3 134:18
197:12

testify 15:8,9
42:16,17 82:12
124:12

testifying 9:3
10:4,18 11:1
124:14

testimony 15:8,
10,14 42:5 101:22
102:25 114:3
181:15 188:16
193:9,15 212:11
216:19 218:5,6,11

221:7

text 10:11 54:16
144:2 207:5
215:12

Theoretically
51:22

thing 18:25 19:25
76:7 105:23
171:11 176:7
179:21 180:3

things 46:9 67:24
72:24 78:17
109:25 110:5
130:25 157:23
172:23 184:18
185:1 205:13
214:22

thinking 179:24

thought 38:20
46:19 68:3 133:16
168:20

thousands 70:20
118:4

throw 40:7

throwing 215:25

thrown 27:2

Thursday 2:18
7:1

tied 85:7 198:8

time 2:7 10:6 12:3
15:14 33:8 53:8
57:8,12,14 72:14
77:9,15 78:4
83:25 89:1,3
93:12 98:11,21
119:6 122:19
132:21 137:19
140:8 142:24
156:24 163:7
188:1 192:2,4

times 12:2 17:12
25:19 27:24 31:18
37:21 59:5,21
60:20,23 61:9
66:2 67:4 77:22
79:22 87:15 88:18

112:24 128:25
138:9 146:3 193:7
196:7 204:15
206:15 222:3
223:3 225:2

title 6:20 14:17
19:9 123:21

today 11:23 12:15
25:21 82:12 99:7,
12 102:25 104:3
118:6 138:8
146:14 169:14
175:13 210:23
216:20 218:6
221:7

told 18:24 35:1
36:9 42:16 68:9,
14

tomorrow
181:13,17 187:21
225:21

Tony 10:2,3

top 20:19,20,23
89:24 105:7
123:18 145:19
211:8 212:13
213:1

topic 210:18

total 89:23 95:14
179:1 199:22

touch 15:13
179:16 181:4
225:19

Tracy 2:21

train 57:25 89:4

trained 57:16,22
65:3

training 6:12
57:9,13 78:3,6
82:7,12 83:5,8
85:25 88:23,24
91:2 97:24

trainings 48:18
78:12,20 120:4

transactions

81:17
TRANSCRIPT
2:16
translate 201:12
transparency
97:3
treated 64:1
127:8
treatment 78:15
trials 15:6
true 24:25 36:7
37:3 39:24 40:4
44:11 91:10 94:14
97:8 139:10
146:20 157:6
159:2 160:16
161:25 163:19
165:21 166:8
167:21 203:25
221:21 222:5
224:9,10
truncated 116:5
turn 18:13 29:8
58:19 123:9
turns 41:2
Tustin 2:9 5:14,15
7:11,25 8:5 41:6
42:22 43:9 44:8
82:18,24 83:21
98:7,9,15 105:12,
18 119:15 126:14
127:5 137:10
139:18 140:6,12
146:21 154:9
155:10 163:14
169:7 170:11
176:7,14 186:19
199:2
Tustin's 5:8
type 62:21 85:5
152:22 198:17
types 70:20 200:3
typical 79:12
127:11

typically 16:5
59:13 63:10 71:20
73:6 79:17 86:2
89:9 92:18 93:9
100:19 129:12,14

U

Uh-huh 200:24
ultimately 48:13
52:6 74:16,20
75:23 77:13 86:16
145:2 146:5
156:22 160:11
unclear 147:3
uncommon 12:1
undecided 11:3
underground
44:24
underneath
174:10
underpaid 34:21,
25
underpaying
35:7,17,22,25
36:4,8
underreported
33:18 34:22 51:3
127:19 219:14
221:16,17 222:16,
20,21
underreporting
217:1,2 220:23
understand
10:17 27:6 51:5
61:2 68:21 82:4
90:16 92:12
106:25 111:2,23
112:11 132:24
133:5,9 189:3,15
192:7,17 210:20
214:10 215:21
224:8
understanding
27:15 35:14,21
36:3 53:23 58:10

103:5 124:15,16
150:2 178:13
208:2 217:9
220:21
understood
176:24 216:8
undertaking
77:13
Unified 2:9 7:11,
25 8:5 41:6 42:22
43:9 44:8 82:18,
24 83:21 105:13,
18 119:15 126:14
127:5 139:19
140:6 176:7
186:19
unify 64:8 67:19
unions 16:9
63:15,22 64:4,6
131:7,10
unit 100:20
131:15 135:19,21,
23,25 136:5,7,8,
13 141:6 182:8,22
183:10 198:16
199:1
units 131:18
198:5,6
unlawful 44:24
unmuted 69:6
unresolved
146:12
unusual 12:19
updated 47:14
77:16
upheld 54:11
uphold 45:1
upload 46:7
uploaded 45:15
46:8,13 47:3 72:8
168:19,21 172:21
173:23 185:25
uploading 172:6
173:18

USD 137:10
146:21 154:9
163:14 199:3

V

validate 72:17,18
variance 65:19
varies 137:4
variety 26:25
42:9,20 56:11
57:25
vary 61:5 70:2
varying 62:11
65:14 69:20
vast 92:23 100:16
131:16,17
verify 77:17
version 106:12
158:9 178:14
versus 76:12
80:20 208:4
223:24
video 133:24
videoconference
7:16
view 36:11 86:25
viewing 169:21
VOLUME 2:10

W

waffled 84:9
wage 43:18,19
wages 78:15
wait 29:16 32:13
172:20
waiting 9:16
54:20 132:19
Walker 2:4,19 7:6
134:3

wanted 10:7
39:16 47:5 68:6

wanting 83:4

water 62:8

ways 66:19

website 91:13
97:1 171:2

week 27:23 47:22,
23 58:18 59:5
60:14,16,20,23
61:8,20 62:13,16
64:10,13,18 66:1
67:13,14 68:24
69:2,19,23 75:10,
11,12,14,21
76:19,21,22 77:3,
4 78:21 100:7,9
104:11,14 108:1,
5,7,14 111:11
116:13,18 118:23
127:4,23 129:15,
22 155:24 188:13,
15 191:16,25
192:21 193:6
196:7 204:25
205:6,15,16,17
218:9,10

weekdays 27:23
37:2,5,6,18,22
38:5,20

weeks 27:22,24
28:2,4,5,8,9 37:4,
19,20,21 38:13
59:5 60:21 61:9
68:17 69:9,24,25
70:2,4 112:24
120:16 122:7,8
193:7 196:8

Westlaw 47:10
48:6

whatsoever
215:13

wind 74:24

wisdom 122:25

withdraw 171:15
178:14,16

witnesses 4:3
9:2,6 10:18 15:4
48:16,20 51:6
54:6 181:12,13
216:20

witnesses' 8:21

woman 181:5

woman's 32:7

word 53:1 122:11
124:2

words 140:6

work 17:16,17
26:17 37:25 40:4
47:25 51:20
55:17,18 57:9
58:18 61:9 62:11,
13,23 68:15
69:19,20 71:3,10
75:10 78:3 79:8
80:8 92:24 93:13
100:10 102:4
104:7,17 114:21
115:25 119:22
130:7,9 135:3,4,
20,22 136:4 138:2
178:11,12 197:22
198:12 205:14,17
206:2 209:10

workdays 25:18
27:23 28:8 38:17,
20,24 39:2 40:2,
18 120:20 121:1,8
122:9

worked 51:23
52:2,18 59:24
67:8 74:24,25
75:11 76:16
79:14,16 86:9,12
135:20 136:6
188:13 202:12,18,
21,25 203:4
204:5,7 223:21

worker 62:22

workers 62:4

working 49:23
67:13 70:13 80:9
102:6,8,9 107:25

108:4,13 111:10,
11 119:12 135:19,
25 147:12 158:24
174:13 191:16,25
206:1 218:8,9,10
222:8

works 21:18
30:13 49:12,13,24
50:1,2 53:6 59:9
74:5 76:21 80:1
88:6 104:12
127:23 171:7
179:16 201:20
202:19 206:13,16

workweek 62:19
65:10,21 66:7
67:1,9 104:8,17
115:2,7 116:10,12
127:18

workweeks 67:4

world 115:1,3

worse 169:23

wrapping 130:25
131:1

writing 67:24
86:19 90:20 160:3

written 36:10
207:14

wrong 46:23
133:7

Y

Y2 122:4

year 19:12 27:4,5,
21 28:3,4,8,9,12
37:3,4,5,11,16,18,
19,20,22 38:13,
16,25 40:2,18
47:25 51:12,16,
19,20,24 58:13
61:7,9 69:25 70:7
75:16,17 79:7,15
82:20 87:4 90:15
100:10 105:14,19
120:12,17,20
121:4 122:6,13

129:23 163:10
185:16 186:21
189:9 190:1 192:5
193:8 195:11,14
198:2 204:25
205:6,18 206:16,
17 207:20 208:7,
12,13,14 209:17
220:10,12,14

years 27:1 37:4,5,
6,22,23 39:2
43:24 57:8 60:1
70:1 82:23 83:11
84:6,8 120:14
149:24 184:3
185:17 223:21

yesterday 46:9
172:24

BEFORE THE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
STATE OF CALIFORNIA
ROBERT WALKER, ADMINISTRATIVE LAW JUDGE

In the Matter of the Appeal of)
the Full Time Payrate Reporting)
of:)
TUSTIN UNIFIED SCHOOL DISTRICT,) Case No. 2020-0436
Respondent.) OAH No. 2020090431
_____) VOLUME II
)

CERTIFIED COPY

TRANSCRIPT OF PROCEEDINGS

Via Microsoft Teams

Friday, September 3, 2021

Reported by:

JUSTYNE JOHNSON,
CSR No. 14301

Job No. :
33418 OSD

1 BEFORE THE
2 CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
3 STATE OF CALIFORNIA
4 ROBERT WALKER, ADMINISTRATIVE LAW JUDGE
5
6

7 In the Matter of the Appeal of)
8 the Full Time Payrate Reporting))
9 of:) Case No. 2020-0436
10 TUSTIN UNIFIED SCHOOL DISTRICT,) OAH No. 2020090431
11 Respondent.)
12) VOLUME II
13)
14
15

16 TRANSCRIPT OF PROCEEDINGS, all parties
17 appearing remotely, commencing at 9:09 a.m.
18 and concluding at 2:49 p.m. on Friday,
19 September 3, 2021, heard before ROBERT WALKER,
20 Administrative Law Judge, reported by
21 JUSTYNE JOHNSON, CSR No. 14301, a Certified
22 Shorthand Reporter in and for the State of
23 California.
24
25

1 APPEARANCES:

2 For the DEPARTMENT: CALIFORNIA PUBLIC EMPLOYEES'
3 RETIREMENT SYSTEM
4 BY: CHARLES GLAUBERMAN, ESQ.
5 400 Q Street
6 PO Box 942707
7 Sacramento, California
8 94229

6 For the RESPONDENT: ATKINSON, ANDELSON, LOYA,
7 RUUD & ROMO
8 BY: JOSHUA MORRISON, ESQ.
9 12800 Center Court Drive
10 Suite 300
11 Cerritos, California
12 90703

10 ATKINSON, ANDELSON, LOYA,
11 RUUD & ROMO
12 BY: JACQUELYN MORENZ, ESQ.
13 20 Pacifica
14 Suite 1100
15 Irvine, California
16 92618-3398

15
16
17
18
19
20
21
22
23
24
25

I N D E X

DEPARTMENT'S

Witness:

Direct Cross Redirect Recross

KEVIN LAU
(Rebuttal)

7 32 39
153 155
161 161

RESPONDENT'S

Witnesses:

GARY STINE

46 68 78

ANTHONY SORIA

80 89 96

NAM NGUYEN

102 123 132

E X H I B I T S

DEPARTMENT'S

Exh no.

Description

Marked Rec'd

A-1

Statement of issues

149 149

A-2

Notice of hearing, statement of
issues, and proof of service

150 150

A-21

Legislative history and CalPERS
Board agenda item in support of
20636.1

147 147

A-22

Amended statement of issues

148 148

E X H I B I T S (Continued)

RESPONDENT'S

Exh no.	Description	Marked	Rec'd
B-1	Excerpts on full audit report regarding Tustin Unified School District	71	123
B-8	District pay assignment information for Alane Pelleriti	116	122
B-9	CASBO payroll concepts dated June 1999	60	62
B-10	CASBO 2006 workshop materials on payroll concepts	62	64
B-11	Email dated April 30th, 2019, from Praveen Chaudhri regarding days and hours per month	56	56
B-12	August 8th, 2008, letter from Dougherty to Wagner	65	68
B-16	2012/2013 Government Code Sections 20636.1, 20962, 20966, 21221, 3543.2	139	139
B-17	Government code Sections 20636.1, 20962, 20966, 21221, and 3543.2	139	139
B-19	Historic version of Title 2 California Code of Regulations Section 171.1 and Section 570.5	139	139
B-20	Historic version of Title 2 of California Code of Regulations Section 171.1	139	139
B-30	Request for official notice	151	151
B-31	Notice of defense	152	152

23
24
25

1 Friday, September 3, 2021

2 9:09 a.m.

3
4
5 ADMINISTRATIVE LAW JUDGE: On the record, please.
6 Good morning. This is the second day of hearing in the
7 case before California Public Employees' Retirement System
8 concerning the matter of the appraisal regarding Tulton
9 (phonetic) pray rate -- payrate reporting of the Tustin
10 Unified School District.

11 Good morning, everyone.

12 MR. GLAUBERMAN: Good morning, Your Honor.

13 MR. MORRISON: Good Morning, Your Honor.

14 ADMINISTRATIVE LAW JUDGE: And, Mr. Lau, you're back
15 on the witness stand, sir, and remind you that you're
16 still under oath.

17 And, Mr. Morrison, your cross-examination,
18 please. Oh, I beg your pardon. You said Ms. Morenz was
19 going to do the cross.

20 MR. MORRISON: No. No. I'm going to -- I'm going to
21 -- I'm -- I'm going to do the cross. Ms. Morenz is going
22 to take our first witness when they -- when they testify a
23 lit bit later this morning.

24 ADMINISTRATIVE LAW JUDGE: Thank you very much.

25 ///

1 KEVIN LAU,
2 called as a witness, and having been first duly sworn by
3 the Administrative Law Judge, testified as follows:
4

5 CROSS-EXAMINATION

6 BY MR. MORRISON:

7 Q All right. Mr. Lau, good morning.

8 A Good morning.

9 Q Do you remember in your testimony yesterday you
10 were talking about the monthly payrate as being not the
11 true payrate and the hourly payrate as being the true
12 payrate?

13 A Yes.

14 Q Can you point me to a statute or regulation that
15 says that?

16 A There's no explicit statute that states whether
17 that pay sample is a monthly payrate or the hourly payrate
18 is accurate. How we denote that hourly payrate is the
19 true base rate, it is because when we looked at
20 Ms. Pelleriti's position, or I -- I believe it was range
21 36 which was, if I recall, like a PE equipment person, we
22 pretty much used the pay sample to denote from that annual
23 salary that, you know, the District is actually paying for
24 misses -- Ms. Pelleriti. What is that true base; right?

25 So when we look at that is -- that okay. Even

1 though she worked ten months, however we want to put it,
2 from the pay sample, she is actually worked 209 days,
3 which is eight hours per day. So when we broke down that
4 annual salary into that hourly increment to CalPERS'
5 standard or even how, you know, the District pays the
6 employee, that is the standard increment of pay.

7 Because you can't say that, oh, we're working for
8 ten --

9 Q Mr. Lau -- Mr. Lau?

10 A Yeah.

11 Q The question I asked you was to identify a
12 statute or regulation that tells us that hourly pay is the
13 true payrate and monthly pay is not. Is your -- is your
14 answer that there is no statute or regulation?

15 A So I think in parse to kind of clarify, 20636.1
16 does speak to, you know, the -- the full-time rate of pay
17 or base pay. So when we look at the pay sample, that is
18 what we consider that hourly rate as the base pay.

19 So yes, in -- in that sense. But if you're
20 asking me if in the statute is -- is there something that
21 states an hourly rate is the base paid rate, it doesn't
22 state -- state that explicitly, but according to the pay
23 sample and Government Code 20636.1, we can denote that --
24 that the hourly rate on the pay sample is the true hourly
25 rate of pay or base pay.

1 Q Are you -- you do recognize that in Government
2 Code 20636.1, payrate is defined as the normal monthly
3 rate of pay; correct?

4 A Yes.

5 Q All right. And the question I had for you was,
6 is there anything in statute of regulation that describes
7 the hourly rate of pay as the true rate of pay?

8 A Not precisely. Again, when we --

9 Q Thank you. All right. Let me ask you, do you
10 recall --

11 ADMINISTRATIVE LAW JUDGE: Well, can we go back a
12 second? So do I understand correctly, Mr. Lau, that your
13 position is that, from 20636.1, you could determine even
14 though it doesn't say that expressly, that the true
15 payrate is hourly; is that right?

16 THE WITNESS: In the particular example, that is
17 correct. And this is --

18 ADMINISTRATIVE LAW JUDGE: So --

19 THE WITNESS: -- all due to the fact --

20 ADMINISTRATIVE LAW JUDGE: So that is cur- -- true
21 with regard to the employee in this case, but may not
22 always be true; is that correct?

23 THE WITNESS: So in most cases, that is incorrect
24 because in -- in my experience when we look at classified
25 employees, most positions are designated with an annual

1 salary, the number duty days, which, in this case, is 209
2 days. And we could technically back into using the annual
3 salary, divide it by the amount of days that, you know,
4 whatever that position would be, for any classified
5 member, and then dividing that by how many hours do they
6 work per day.

7 So that would always, at the very least, we can
8 find the, you know, the true rate of pay, which is, in
9 this case, the hourly rate.

10 ADMINISTRATIVE LAW JUDGE: But my question persists as
11 to how do you come to the conclusion that that's the way
12 you should proceed based on the language of 20636.1?
13 You -- you, I believe, have told us that from 20636.1, you
14 can conclude that that's the right way to do it. Now,
15 I -- and I read 2- -- I read 20636.1, and, with all due
16 respect, I -- I'm struggling to see that in it.

17 THE WITNESS: Absolutely. So it doesn't explicitly
18 state this in the statute, so you are correct. However,
19 this is how, you know, we look at a logical, you know,
20 mathematical problem.

21 So I think as a -- as a really clean example, per
22 se, let's -- let's, for example, say I make \$100,000 you
23 know, per -- per year -- or for this year, let's just say.
24 Now, most cases, you know, for -- for -- now we're talking
25 about state work as this example. I work 40 hours a week.

1 I work -- work over, technically speaking, 52 weeks in a
2 year. So to truly find out how much, you know, per, you
3 know, per hour that I worked for each hour that I worked
4 within this year, we can use the sample math- --
5 mathematical, you know, formula or, you know, basic math
6 to kind of denote, okay, let's take the annual amount,
7 which is, again, you know, it's \$100,000. And, again, if
8 I have 2,080 hours within a year, \$100,000 in annual
9 salary divided by --

10 ADMINISTRATIVE LAW JUDGE: I'm sorry.

11 THE WITNESS: -- 2,080 hours --

12 ADMINISTRATIVE LAW JUDGE: Dir- -- give me a second.

13 So --

14 THE WITNESS: Yeah.

15 ADMINISTRATIVE LAW JUDGE: -- start out with --

16 THE WITNESS: My apologies.

17 ADMINISTRATIVE LAW JUDGE: And then you -- you
18 calculate the hours per year? Is that what you do?

19 THE WITNESS: Correct. So to calculate --

20 ADMINISTRATIVE LAW JUDGE: Is that -- is that the 40
21 times -- is that 52 times 40?

22 THE WITNESS: That is accurate.

23 ADMINISTRATIVE LAW JUDGE: Give me a second.

24 THE WITNESS: Mm-hmm.

25 ADMINISTRATIVE LAW JUDGE: Is that 2,080?

1 THE WITNESS: That is correct, Your Honor.

2 ADMINISTRATIVE LAW JUDGE: Okay. Go ahead, please.

3 THE WITNESS: Yeah. So, again, using the \$100,00 as
4 an annual salary dividing by, you know, 2,080 hours, which
5 is the amount of hours as a 40-hour employee would --
6 would work. If I take that divided by, again,
7 2,080 hours, it would come up about \$48.08 per hour. So
8 that increment of pay can't change no matter how -- how
9 you pay me, you're still going to, technically speaking,
10 whether I'm a monthly employee, exempt employee, or
11 whatnot, you are still paying me \$48.08 per hour that I
12 work.

13 So although the -- the statute does not
14 explicitly tell you how to, you know, do a mathematical
15 problem nor does it tell you one plus one is 2, this is
16 just using math-- -- mathematical formula to, just, finding
17 out what is the true increment of pay per hour that an
18 employee would work.

19 MR. MORRISON: All right. Let me see if I can ask
20 Ms. Morenz to screenshare CalPERS Exhibit 20.

21 (Exhibit B-20 was displayed)

22 BY MR. MORRISON:

23 Q All right. Mr. Lau, can you see that?

24 A Yes. I'm going to pull up mine because I'm -- a
25 little bit small, but, yes, I can.

1 Q Okay. All right. This is the compensation for
2 the employee who was sampled as part of audit finding 4 as
3 reported on the CalPERS system; correct?

4 A Correct. For fiscal year 2012 and '13.

5 Q All right. And under pay -- there's a column
6 that says "payrate type," and that is recorded as
7 "monthly." There's a couple hourly assignments and --
8 during the summer, but for majority of the year, the
9 payroll type is recorded as "monthly"; correct?

10 A You're correct.

11 Q All right. And for the month of January 2013,
12 the employee's payrate was indicated as \$4,002. Do you
13 see that?

14 A Yes, I do.

15 Q And I believe that included some longevity. If
16 we back out the longevity the amount of payrate not
17 including longevity that was reported was \$3,795 a month;
18 correct?

19 A That is correct.

20 Q All right. And then in the earnings, we've
21 got -- the earnings column, we have the exact same
22 amounts, the earnings she was being paid for that --

23 ADMINISTRATIVE LAW JUDGE: Give me a second,
24 Mr. Morrison. Let me catch up here.

25 MR. MORRISON: Okay.

1 ADMINISTRATIVE LAW JUDGE: Thank you.

2 BY MR. MORRISON:

3 Q All right. And so the -- the -- the payrate that
4 was reported, minus the longevity, was \$3,795 for the
5 month of January 2013; correct?

6 A Correct.

7 Q And the earnings that Ms. Pelleriti received in
8 that month were the same number, \$3,795, once we back out
9 the longevity; correct?

10 A Correct.

11 Q And that is also true for the month of
12 February 2013; correct?

13 A Correct.

14 Q So January and February, she had the same payrate
15 and she received the same earnings even though we all know
16 that January is a longer month and has more days and more
17 hours than February; correct?

18 A Correct.

19 Q So the District was paying her on a monthly
20 basis. They were paying her the same wage every month
21 even though the hours in any given month were different;
22 correct?

23 A I think that's an assumption. I don't know
24 exactly how she was paid. This is just purely on the
25 reporting side into CalPERS.

1 Q Based on -- based on the information you have,
2 she was paid monthly, and the monthly amounts were
3 identical even though February is shorter than January;
4 correct?

5 A That is a correct statement here.

6 Q All right. So the District was not paying her on
7 an hourly basis. The District was paying her on a monthly
8 basis. Yes?

9 A I do not have that information since I don't know
10 where there's -- she's being -- how she's become paid,
11 technically speaking. But reporting-wise, it is based on
12 a monthly --

13 Q All right. As far as you know, based on
14 everything you know, she was paid monthly, not hourly;
15 correct?

16 A As far as from the -- the hearing goes, yes.
17 It -- it appears, you know, it -- she is pay --
18 paying [sic] monthly, but I cannot confirm that.

19 Q Okay. Do you have any reason to doubt that she
20 was paid monthly?

21 A I don't have any reasons to doubt, per se.
22 However, there are some inconsistency in the reporting.
23 So if I -- if I may explain.

24 ADMINISTRATIVE LAW JUDGE: No. No. No. That -- we
25 -- that's enough.

1 Mr. Morrison, I assume you have witnesses who are
2 going to testify to this?

3 MR. MORRISON: Yes.

4 ADMINISTRATIVE LAW JUDGE: We don't -- we don't need
5 to try to force Mr. Lau to acknowledge it.

6 MR. MORRISON: All right. Thank you, Your Honor.

7 BY MR. MORRISON:

8 Q Now, Mr. Lau, when payrate is reported by an
9 employer -- actually -- actually, well, let me straighten
10 that. When the District is reporting payrate to CalPERS,
11 are they also required to provi- -- to remit money to
12 CalPERS based on that payrate?

13 A Yes. Once -- any -- pretty much any type of
14 earnings or special compensation that's reported as you
15 see in the column -- special col- -- compensation in this
16 case is zero. What happened is once a report gets
17 processed, it does require the employee contributions and
18 the employer contributions.

19 Q Okay. And my question --

20 If we can just take down the screen sharing. I'm
21 not really asking about this specific document right now.

22 When -- when -- when the District reports
23 payrate, that payrate is at some point going to be --
24 potentially might -- may be used in calculating the
25 employee's retirement allowance; correct?

1 A That is correct, as well as service credit.

2 Q Yes. And at some point when the employee
3 retires, CalPERS is going to be paying a pension to that
4 employee; correct?

5 A That is accurate.

6 Q All right. And to fund that pension, you need
7 contributions from the District and from the employee paid
8 over a period of years; correct?

9 A Correct.

10 Q All right. And so if the payrate that you're
11 telling the District to report is higher than what the
12 District is -- is actually reporting, wouldn't that also
13 necessitate the District to pay higher employee/employer
14 contributions and wouldn't that necessitate the employee
15 to pay higher employee contributions as the payrate goes
16 up?

17 A It does not. So the contribution is derived from
18 the earnings and special compensation. So the payrate
19 doesn't tie into contributions at all. So payrate only
20 ties into when we calculate benefits, looking for the
21 average, and calculation of service credit. But
22 increasing -- increasing or decreasing the payrate,
23 technically speaking, does not attribute to, you know, you
24 have to pay extra contributions or whatnot.

25 Q All right. And just to understand --

1 ADMINISTRATIVE LAW JUDGE: Give me a second, please.

2 So the amount of the required contributions was
3 not based on the payrate? It's based on --

4 THE WITNESS: It's based on the earning. So if I
5 could trouble Ms. Morenz to bring the screen back up I can
6 do a very quick calculation just to, kind of, demonstrate
7 the example. It's fairly straightforward.

8 ADMINISTRATIVE LAW JUDGE: That's okay. I just -- I
9 just wanted to get down what your testimony was. So
10 you -- you said it was based on the earnings and
11 something. And now you're saying --

12 THE WITNESS: Earning -- earnings and special
13 compensation, Your Honor. My apologies.

14 ADMINISTRATIVE LAW JUDGE: And -- and special
15 compensa- --

16 BY MR. MORRISON:

17 Q Mr. Lau, let me ask a question. I want to see if
18 I can understand the -- what -- what resolution you were
19 hoping to achieve from the District by way of this audit.
20 The audit indicated that the District underreported
21 payrate. Is it CalPERS's position that the District
22 should be reporting a higher payrate than was actually
23 paid to the employee?

24 A So -- in part. So one is that, as you recall,
25 during, you know, you know, the course of the resolution

1 and process with the District, we actually provided two
2 different options. So -- so in part to answer your
3 question, yes, in a way because of the fact that if the
4 District choosed [sic] to report a monthly payrate, that
5 monthly payrate needs to be a 40-hour equivalent. So, in
6 that case, it is higher.

7 However, if the District reports, I believe, if I
8 recalled it, \$22.59 per hour, the District do not need to
9 report anything higher or less. That \$22.59 per hour
10 payrate -- again, we'll do the conversion. It will have
11 an accurate calculation of the service credit, and that
12 payrate is also on the salary schedules.

13 Q But -- all right. Mr. Lau, my -- my ques- -- my
14 question was, the finding said the District underreported
15 payrate. It -- CalPERS is reporting the District to
16 report a higher payrate. Are you also directing the
17 District to pay the employee the higher payrate -- pay --
18 pay them at that higher rate?

19 A No, sir. So the monthly pate --

20 Q All right.

21 A -- Is for purely reporting purposes.

22 Q All right. And are you directing the District to
23 pay more of an employee contribution -- sorry -- more of
24 an employer contribution or the employee to pay more of an
25 employee contribution than they have been paying up to

1 this point?

2 A No. Again, the audit finding is strictly on the
3 payrate reporting, which has no -- no association to
4 contributions on both sides.

5 Q All right.

6 MR. MORRISON: Your Honor, can I have a second?

7 ADMINISTRATIVE LAW JUDGE: Of course.

8 BY MR. MORRISON:

9 Q Mr. Lau, is it your testimony that the --

10 ADMINISTRATIVE LAW JUDGE: Oh, please don't ask him
11 what his testimony is.

12 MR. MORRISON: All right.

13 ADMINISTRATIVE LAW JUDGE: Just ask the question.

14 MR. MORRISON: Sure.

15 BY MR. MORRISON:

16 Q The audit directs the District to report a higher
17 payrate. Is it your contention that the -- that by doing
18 so, there is no actual change or there would be no impact
19 on the employee's retirement?

20 A It does have an impact. So, again, higher
21 payrate in -- in this scenario of calculating final
22 compensation would technically yield to high retirement,
23 and, at the same time, reporting the higher payrate with
24 the actual earnings, it would adjust the service credit
25 downward just by a little bit just because the member does

1 not technically, you know, work full-time to earn the full
2 service pursuant to Government Code 20962.

3 Q So I'm just trying to understand, in terms of how
4 you are hoping the District would report, with the
5 increase in payrate, is there going to be any increase in
6 the employee's pension when they get to retirement?

7 MR. GLAUBERMAN: Objection. Asked and answered.

8 ADMINISTRATIVE LAW JUDGE: Yeah. He said he would
9 expect the level of benefits to be increased, but the
10 service credits to be decreased slightly.

11 THE WITNESS: Mm-hmm.

12 BY MR. MORRISON:

13 Q Right. But do those entirely offset? Do we end
14 up at the same exact point? What he seems to be
15 describing is payrate going up, service credit going down.
16 Those are multiplied to calculate the retirement
17 allowance. At least they're -- you know, they're --
18 they're part of the formula.

19 ADMINISTRATIVE LAW JUDGE: Do they offset each other,
20 or is there a net difference, one way or the other?

21 THE WITNESS: So each case is -- each cases would be
22 different, but for this particular sampled employee,
23 again, Ms. Pelleriti, it actually would benefit as an
24 increase of her retirement.

25 So, if I can clarify, if we report the accurate

1 payrate or based on the full-time equivalent, whether we
2 report \$3,915.60 per month or \$22.59 per hour, although it
3 would drop the service credit just by a tad, however, the
4 member appears to also earn enough service credit because
5 it appears she worked summer session. I think that's the
6 \$12.18 per hour payrate.

7 Now, we did not specifically look into that.
8 However, assuming those are accurate, those service credit
9 would be more than enough to compensate her for full
10 service for that year. So by looking into that, you know,
11 for this particular member, it would result in -- into an
12 increase.

13 BY MR. MORRISON:

14 Q All right. It's your contention thinks the
15 District would not be paying any more -- Ms. Pelleriti
16 would not be paying any more, but her pension would go up?

17 A Correct. It does not attribute to any
18 contributions, you know, you know, that you -- you or --
19 or I'm sorry -- the District or the employee needs to pay
20 for those particular months once, you know, you guys
21 adjust those -- you know, pay rates per suggestions.

22 Q All right. I'm not suggested that --

23 MR. MORRISON: Your Honor, I'm not suggesting the
24 District agrees with this. I'm just trying to understand
25 Mister --

1 THE WITNESS: Oh, my apologies.

2 MR. MORRISON: -- Mr. Lau --

3 THE WITNESS: -- final --

4 (Simultaneous crosstalk)

5 THE STENOGRAPHER: One at a time. Please, one at a
6 time.

7 MR. MORRISON: All right. I don't have any further
8 questions on cross.

9 ADMINISTRATIVE LAW JUDGE: Oh, my. So this has
10 nothing to do with calculating the contributions required?

11 MR. MORRISON: I'm sorry. What, Your Honor?

12 ADMINISTRATIVE LAW JUDGE: I was asking Mr. Lau.
13 Thi- -- this has nothing to do with calculating the
14 contributions?

15 THE WITNESS: It does not. So payrate and -- and
16 earnings are, you know, commonly confused. Payrate,
17 again, we only looked at the payrate to calculate final
18 compensation and service credit whereas contributions are
19 derived from earnings and special compensation reported
20 into the system.

21 ADMINISTRATIVE LAW JUDGE: Oh, okay. So I had another
22 question. Are payrate and service credits separately used
23 in calculating the level of pension benefits, or does the
24 payrate affect the service credits and then the service
25 credits are used in calculating the level of pension

1 benefits?

2 THE WITNESS: So there -- there are actually three
3 factors in final compensation, if I can explain. So
4 payrate will be in two of the three factors. So the first
5 factor is based on final compensation. Again, for most
6 classified school members, they are based on 12
7 consecutive months.

8 So when we look at final compensation, we, again,
9 look at the average over the 12 months, whatever the
10 highest period would be, that's what we would, kind of,
11 look at, and we average that out over 12 months. And that
12 includes payrate plus any special compensation. So that's
13 going to be the first factor.

14 The second factor -- and I can pause if you like.
15 I think you're writing.

16 ADMINISTRATIVE LAW JUDGE: So that includes payrate
17 and what did you say?

18 THE WITNESS: Payrate and special compensation.
19 Pretty much based on the highest 12 consecutive months'
20 average.

21 ADMINISTRATIVE LAW JUDGE: Well, I have a question
22 about that.

23 THE WITNESS: Yes, Your Honor.

24 ADMINISTRATIVE LAW JUDGE: Final compensation sounds
25 me -- compensation sounds, to me, like earnings. So I'm

1 surprised that you're telling me that final compensation
2 includes payrate because I thought you had told me that
3 payrate and earnings are different. Am I not correct in
4 thinking that compensation means earning?

5 THE WITNESS: Yes and no. So if I may explain factor
6 number 2.

7 ADMINISTRATIVE LAW JUDGE: Yes.

8 THE WITNESS: So factor number 2 in the final
9 compensation calculation is that we look at factor 2 as
10 service credit. So service credit is when we denote from
11 taking the earnings divided by the payrate. And then we
12 divided it by a factor. And that factor all hinged on
13 what type of payrate is being reported.

14 So, as an example, if a monthly payrate is
15 reported, then we would take earnings divided by the
16 monthly payrate, and then divide it by the factor of 10.
17 And that factor of ten stems from Government Code 20962
18 because it takes ten full months for someone to earn a
19 full service.

20 So, automatically, in -- in this scenario, is
21 that the earnings and payrate are matched, which, if we,
22 again, taking out the longevity pay, which is \$3,795, so
23 earnings divided by the same exact payrate would be equal
24 to 1. Then if we divided by the factor, which is 10,
25 again, going back to Government Code 20962, then we would

1 get a .1. So a .1 per month over ten months would equal
2 to 1.0, technically speaking.

3 ADMINISTRATIVE LAW JUDGE: Right.

4 THE WITNESS: So that is how we look at the full
5 service, and -- and that's how we look at the calculation.

6 Now, on another example, if the District would
7 report the hourly payrate, again, \$22.59, we take \$3,795,
8 which is the earnings, divided by \$22.59 that equates
9 about 168. From there, because the District, assuming
10 that they reported it as an hourly rate, we look at, you
11 know, what the factor is for under Government Code 20962
12 of, you know, how do you earn a full service, you know, by
13 the hourly reporting. And that is 1,720 hours.

14 So, again, we -- if we take that \$168 number,
15 which we've just took earnings divided by the hourly
16 payrate, if we take that divided by \$1,720, this member is
17 actually getting .0977, which is, again, it's a little bit
18 shy from earning a full service.

19 And that's why, initially, in our testimony, we
20 wanted to bring up the service credit part because it does
21 play a role into the calculations of, in this case, Ms.
22 Pelleriti's pension.

23 ADMINISTRATIVE LAW JUDGE: Number 3.

24 THE WITNESS: Number 3 is based on the retirement
25 formula. I think most classified school members are at

1 2 percent at 55. So in -- in an a high-level explanation
2 of how these all come together, let's just say I make
3 \$120,000 per year. That divided by 12, because I work
4 over, you know, 12 months, as an example. Then my payrate
5 would, technically, be, just to confirm, it would be
6 \$10,000.

7 And as an assumption that over the course of --
8 let's just say I worked 30 years, and I've earned full
9 service for over the 30 years, and I'm at 2 percent
10 formula at 55, that means that based on 30 years at
11 2 percent, I'm earning 60 percent of my factor number 1,
12 which is \$10,000 times .6 or 60 percent of it, which is
13 \$6,000.

14 And that's how, you know, in a very high level
15 example how final compensation is calculated, of course
16 when member actually do require, they can elect certain
17 options which, you know, that \$6,000 would probably be
18 reduced based on whatever option they choose.

19 ADMINISTRATIVE LAW JUDGE: All right.

20 Mr. Morrison, any further question?

21 MR. MORRISON: Yeah.

22

23 FURTHER CROSS-EXAMINATION

24 BY MR. MORRISON:

25 Q Mr. Lau, in your example, if you are not

1 accrediting an employee with a full month of service
2 credit, whatever additional service they're providing to,
3 in your mind, get up to a full year of service credit,
4 that's going to generate employer contributions and
5 employee contributions as well; correct?

6 A Essentially speaking, they could work up to
7 40 hours per week. So in -- in the cases that, you know,
8 because Ms. Pelleriti only works 209 days, so she doesn't,
9 technically, work full-time every single week. So in
10 those other extra capacity where she doesn't render
11 service or did not work up to 40 hours, if she works
12 another position or -- or whatnot, those contributions
13 would be tied to those additional earnings or time worked
14 to be reported. So in -- in a way, yes.

15 Q All right. And the general principle is that if
16 there is a -- if an employee is earning a higher pension,
17 that money is coming from somewhere, and that somewhere is
18 from the employer and the employee; correct?

19 A I'm not sure about the question. Are you talking
20 about the contributions or money from the funds?

21 Q Well, CalPERS doesn't -- if -- if Ms. Pelleriti
22 was to be in -- to receive a higher pension in -- in --
23 the way pension systems work is that the -- the money
24 isn't coming from -- from nowhere. It's coming from the
25 employer, and it's coming from employee to fund and pay

1 for that pension; correct?

2 ADMINISTRATIVE LAW JUDGE: Well, my understanding is
3 that PERS keeps track of what the contributions are, and
4 there's some things that turn on whether the payout has
5 exceeded the contributions. But if po- -- but if someone
6 receives pension benefits that use up the entire
7 contributions, they still continue to get paid. So, yes,
8 the money can come from someplace other than
9 contributions.

10 MR. MORRISON: That's -- that's not quite my -- my
11 question, Your Honor.

12 BY MR. MORRISON:

13 Q What I'm -- what I'm -- what I'm really asking is
14 if -- if CalPERS wants the District to report any
15 compensation and payrate in a way that -- that increases
16 pension that the employee would be entitled to, that will
17 necessarily result in the employer and the employee
18 contributing more during her employment in order to fund
19 that pension. Yes?

20 A Not precisely because, again, contributions at
21 least for -- from an employee level, it's tied to their
22 normal cost. So most school members are either at 7
23 percent or 8 percent, you know, out of a formula 2 percent
24 over 55 years old. If I report \$1,000 now versus \$1,000,
25 let's just say, ten years later, assuming that normal cost

1 doesn't change, it doesn't change the fact that you need
2 to pay more or less. That is always going to be tied to
3 how much earnings or special compensation reported.

4 So unless in -- in this scenario, if Ms.
5 Pelleriti worked above what's listed in the, you know, pay
6 sample, then, yes, additional earnings would be reported
7 and it would generate a contribution. But, in this case,
8 we're -- we're not asking to report a higher earnings.
9 We're just asking to report the accurate payrate, which
10 doesn't generate any additional contributions.

11 Now, if you're referring to, you know, how
12 CalPERS funds, you know, those pension, once those
13 contributions runs dry, you know, I'm not an expert to
14 speak towards that. I don't know how investments would --

15 Q And that's not what I'm -- that's not what --

16 A Okay. My apologies.

17 Q All right. The -- the District is reporting her
18 compensation on a monthly basis as a full -- as a -- as a
19 full-time assignment. Your suggestion is that the
20 District should instead report a -- a higher amount on a
21 less than full-time basis and should then issue, when she
22 works additional hours report those as, sort of, filling
23 out the full-time assignment. That additional work to
24 fill out the full-time assignment, there would be employer
25 and employee contribution along with that; correct?

1 A Correct. So I think a good example is you -- we
2 saw Ms. Pelleriti what it appears to be working in a
3 summer session. So if she works those summer sessions,
4 those contributions that's tied to any earnings or special
5 compensation would be subjected to contributions.

6 Q All right. Thank you.

7 A You're welcome.

8 MR. MORRISON: All right. No further questions.

9 ADMINISTRATIVE LAW JUDGE: I have one more question,
10 Mr. Lau. So in -- in Ms. Pelleriti's case, the change in
11 reporting payrate would result in a slightly higher
12 pension benefit. But that wouldn't always be the case; is
13 that right? A change in reporting the --

14 THE WITNESS: Generally speaking, yes. Most of the
15 time would be an increase because we see, on an average
16 basis, again, I'm speaking on an average based on across
17 different school districts. Most folks do work 37 and a
18 half hours per, you know, per year. And when we're
19 actually converting the payrate or, you know, reporting
20 the accurate payrate based on a 40-hour equivalent, in
21 most of those cases, those member already earn a very high
22 amount of service, and the increase in the payrate
23 conversion when we calculate the pension benefit, in most
24 cases, they are increases.

25 The only time that we would see any decreases is

1 if they work a really short amount of time or maybe they,
2 you know, work part-time throughout, you know, as, like, a
3 school bus driver, as an example. But, most cases, it
4 would be an increase.

5 ADMINISTRATIVE LAW JUDGE: So it could decrease the
6 benefits if the employee worked few hours resulting in low
7 service credit. Is that the point?

8 THE WITNESS: Correct, generally speaking. Again,
9 those are really case by case basis, but in -- in my
10 experience, most of the time, when we come across these
11 type of particular, you know, observation or finding,
12 these member reporting the full-time equivalent in payrate
13 or reporting the hourly rate of pay would increase their
14 pension benefits.

15 ADMINISTRATIVE LAW JUDGE: Thank you.

16 THE WITNESS: You're welcome.

17 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman, redirect?

18 MR. GLAUBERMAN: Just very briefly, Your Honor. One
19 second here. Okay.

20

21 REDIRECT EXAMINATION

22 BY MR. GLAUBERMAN:

23 Q Mr. Lau, during your cross-examination there,
24 there was testimony about reasons to doubt that the --
25 from CalPERS's perspective that the sampled pay was being

1 paid on a monthly basis. Do you recall that?

2 A Yes.

3 Q What document would you look at to -- to -- that
4 raises that doubt for CalPERS?

5 A So let me find the attachment. That goes back to
6 her pay sample. I forgot --

7 Q Would that be Exhibit 14 then? I can share my
8 screen for everybody if it --

9 A Thank you.

10 Q -- will make it a little easier.

11 A Yes. Because that pay information, it -- it has
12 annual, monthly, and hourly rate of pay on there. It
13 doesn't, you know, explain anything to CalPERS how she's
14 paid. You know, from -- from our perspective, she could
15 be paid in hourly, based on a daily, monthly, or even just
16 bi-annual. You know, CalPERS doesn't care, per se, about
17 how it's being paid to the member. We only care about the
18 reporting into the system.

19 Q Okay. So what about this document tells you that
20 there's reason to doubt being paid monthly?

21 A So I think for -- for starter [sic], if we take a
22 look at the annual amount, again, that's \$37,950. So the
23 District classified the member as a ten-month employee.
24 Again, we know that the member works over 11 months. So
25 the monthly payrate, that's simply taking the annual

1 divided by ten from what it appears to be so, which is
2 \$3,795.

3 Now, again, we're -- we're not looking to the
4 longevity, so I'm not going to reference the \$4,002.
5 However, if we look back to Exhibit 20, the pay screen
6 that Ms. Morenz showed earlier, the \$4,002 payrate or we
7 can call it \$3,795 payrate, that payrate was actually
8 reported over 11 months. So, to me, it -- I don't know
9 exactly how -- if she was paid ten months then, you know,
10 you know, if the District considered the ten-month
11 employee, then my assumption would be ten month of
12 reporting.

13 However, it was reported over 11 months based on
14 the District's conversion of the annual payrate divided by
15 ten. So, hence, I could not denote whether how, you know,
16 the -- the member was paid.

17 Q Okay.

18 ADMINISTRATIVE LAW JUDGE: So does that suggest to you
19 there was one month in the year when she didn't receive
20 any pay at all?

21 THE WITNESS: Just by looking at the pay sample,
22 cor- -- that is correct because she works over 11 months
23 even though she is a ten-month employee. 'Cause my -- my
24 method of, you know, thinking of this is, again, you know,
25 looking at Exhibit 20 and Exhibit 14. If the member works

1 over 11 months and the District divides it by 10, the
2 District is actually creating their own conversion.

3 So, again, it doesn't tell me how she was paid.
4 Again, know we're just look at, you know, the reporting
5 aspect.

6 ADMINISTRATIVE LAW JUDGE: Okay.

7 BY MR. GLAUBERMAN:

8 Q I guess back to the reporting. Are there any --
9 from what was reported in CalPERS's system, are there --
10 you said 11 -- worked in 11 or reported as 10. Are there
11 any other issues that you see in CalPERS -- from what was
12 reported to CalPERS and this CalPERS's database screen?

13 A Yes. Again, outside of the longevity aspect,
14 it's just based on the payrate. Again, because the
15 payrate is not based on a 40-hour equivalent, and the
16 District actually converted their annual payrate based on
17 10 and reported that payrate over 11 months. That
18 resulted in, one, inaccurate payrate and inaccurate
19 computation of the service credited reported.

20 Q Okay. And if you're talking about a district
21 conversion, and we've talked before, CalPERS uses 173.
22 And do you know -- 173.33 hours in a month. Can -- are
23 you able to tell how many hours the District uses?

24 A Per the -- the Exhibit 14, it appears the member
25 is working eight hours a day, but the annual salary is all

1 based on 209 days per year.

2 Q Okay. So does that tell you if there's any sort
3 of hour -- monthly equivalent that they're using?

4 A Their monthly equivalent is based on how they
5 divided their annual by ten months. Whereas if the member
6 works over 11 months, you know, this -- you know, that
7 conversion would be totally different. Hence, you know,
8 we always look back into what is the true increment --
9 increment of pay per the hour that the member worked?
10 We -- we understand that this member is not paid by per
11 hour, but there is still, you know, a denominator of how
12 you calculate someone's pay per hour. And that should be
13 how it's being negotiated for, in general.

14 On top of that, if we were to -- if -- if the
15 member, let's, per se, worked overtime, you wouldn't just
16 take the monthly payrate and just pay them the monthly ray
17 rate. You're going to most likely use, "okay. How do we
18 pay per hour?" And we'll use that, you know, hourly
19 payrate, again, \$22.59 most of the time times 1.5 because
20 of overtime to calculate that overtime pay.

21 You know, at the end of the day, it all comes
22 back down to what is the true increment of pay.

23 Q Okay. I just think I have two more questions for
24 you, so just bear with me. Let's see.

25 MR. GLAUBERMAN: One second, Your Honor.

1 ADMINISTRATIVE LAW JUDGE: Oh, take your time.

2 MR. GLAUBERMAN: I just want to take a look. I'm on
3 Exhibit -- CalPERS Exhibit 8, Your Honor, 897 of the
4 exhibit binder. And I am going to be sharing my screen.

5 BY MR. GLAUBERMAN:

6 Q And this is, for the record, one of the
7 attachments of the District's appeal letter from a letter
8 dated December 10th, 2019. Just to go back down. And
9 there's just a few references in here referencing
10 alternative methods for calculating, you know, Cal0 --
11 CalPERS conversion. And I just want to ask you if you see
12 that.

13 A Yes.

14 Q Now, the first one says 21-day average. Do you
15 see that?

16 A Yes, I do.

17 Q Is that an alternative, for CalPERS purposes, for
18 the full-time equivalent?

19 A No. If we're looking at, you know, if we're
20 looking at a day, that's where we come up with the 21.667.
21 And we wouldn't round down, you know, to the, you know,
22 the -- the -- the single digits. Right. You know,
23 it's -- .5 does make an impact in those type of averaging.

24 Q Okay. And then --

25 ADMINISTRATIVE LAW JUDGE: I'm -- I'm sorry. You said

1 that that was not the -- the 21 rounded off is not an
2 acceptable what? Tell me what it's not acceptable as.

3 THE WITNESS: Yeah. So I believe this is what the --
4 the District has provided based on their average between
5 20 to 23 days. So what happened is they -- they took an
6 average, which appears to be 21.5 days. And then it was
7 further rounded down. We generally round down to the, you
8 know, the hundredths decimal. You know -- you know,
9 most -- most of our places it could be in the thousandths
10 decimal internal in the system, but we would not round
11 down to the, you know, nearest whole number or -- or up in
12 those cases. Yeah.

13 ADMINISTRATIVE LAW JUDGE: All right.

14 BY MR. GLAUBERMAN:

15 Q Right below that, there's a 21.75 day average.
16 Why not use that?

17 A So I'm not exactly sure how those average, kind
18 of, come about. Or -- if we're looking at 21.75 or -- or
19 whatnot. Again, we look at the -- the standard, you know,
20 consistency that we have applied, you know, through, you
21 know, through -- through administrating the pension is
22 that, again, we'll -- we'll take a rule of thumb of five
23 days times 52 weeks per year, which is 260 days. And then
24 we take 260 days divided by 12 months, which is 21.667.

25 Q Okay.

1 MR. GLAUBERMAN: I have no more questions for Mr. Lau.

2 MR. MORRISON: I -- I have some questions, Your Honor.

3 ADMINISTRATIVE LAW JUDGE: All right.

4 MR. MORRISON: Let me ask Ms. Morenz to pull up
5 CalPERS Exhibit 14.

6 THE WITNESS: Yes. I'm there.

7

8 RECROSS-EXAMINATION

9 Q All right. Do you see on the left-hand side of
10 the page, there's a reference to a "paid period type," and
11 there's a box, and it says "M, monthly"?

12 A Yes, I do.

13 Q Is that to note to you that the District was
14 reporting Ms. Pelleriti's compensation or -- or
15 compensating miss -- Ms. Pelleriti on a monthly basis?

16 A That's a field that we're -- we're -- we are not,
17 you know, privy to the information to. You know, for --
18 for my understanding, we look at a payroll objective. So
19 the reporting appears to be a monthly. However, I cannot
20 confirm whether it's, you know, a monthly pay type or
21 whatnot.

22 (Exhibit B-14 was displayed)

23 BY MR. MORRISON:

24 Q All right. Do -- so, again, from this document,
25 do you have any reason to doubt that she was paid on a

1 monthly basis?

2 A Again, I can't answer the -- the question whether
3 I doubt it or not. It's just I cannot confirm or deny
4 whether or not she's being paid monthly.

5 Q All right. And when a client works a --
6 according to the Government Code, 10 months is full-time;
7 correct?

8 A Correct.

9 Q And if an employee works a ten-month assignment,
10 that assignment wouldn't necessarily need to start on the
11 first day of a given month; correct?

12 A Correct.

13 Q And so if you have a ten-month assignment that
14 doesn't start on the first day of a given month, you --
15 you could have -- that assignment would stretch over parts
16 of 11 calendar months, and you would end up with 11 months
17 being reported to CalPERS; correct?

18 A Correct.

19 Q And the first month and the last month would
20 presumably have a little bit less in earnings than the
21 other months, potentially; correct?

22 A Yeah. So the -- the beginning and end month
23 would probably be a little bit different than your, you
24 know, chunks in the middle. Correct.

25 Q All right. Do you know -- there's been

1 discussion of the District using a 21-day factor which
2 equates to 168 hours to correlate it's hourly compensation
3 with monthly. Do you have any idea how the District
4 came -- decided to use that figure?

5 A Outside from the appeal letter based on that
6 demonstration that Mr. Glauberman has asked earlier, I do
7 not outside of that context.

8 Q All right. So -- so the appeal letter we were
9 just looking at, that was an example. But you don't know
10 if that example was -- was what the District actually had
11 in mind in coming up with the 21-day factor, the 168-hour
12 factor; correct?

13 A That is correct.

14 Q All right.

15 MR. MORRISON: All right. No further questions.

16 ADMINISTRATIVE LAW JUDGE: Is there any reason Mr. Lau
17 should not be released?

18 MR. GLAUBERMAN: Subject to rebuttal, Your Honor,
19 except Mr. Lau can be released.

20 ADMINISTRATIVE LAW JUDGE: Are you anticipating -- oh,
21 Mr. Lau is your representative, isn't he?

22 MR. GLAUBERMAN: Yes, sir.

23 ADMINISTRATIVE LAW JUDGE: Okay.

24 So, Mr. Lau, I'm not going to release you, sir.

25 Mr. Glauberman, further evidence?

1 MR. GLAUBERMAN: No further witnesses at this time.
2 The only thing left from CalPERS perspective is it's
3 request for official notice and then the amended statement
4 of issues. And I didn't -- my entire request for official
5 notice didn't -- not make it into CaseLines, and I didn't
6 want to try and fix it to co- -- because I didn't want to
7 cause further problems. And then, also, the amended
8 statement of issues, I'm -- able the best way to get that
9 to everybody is.

10 So do you want me to go ahead with requesting
11 official notice of my documents, Your Honor?

12 ADMINISTRATIVE LAW JUDGE: All right. Well, let's
13 deal with the amended statement of issues matter first.

14 MR. GLAUBERMAN: Okay.

15 ADMINISTRATIVE LAW JUDGE: Are -- are you saying that
16 you're not going to try to upload that into CaseLines?

17 MR. GLAUBERMAN: Well, I -- I didn't want to yet just
18 because I -- well, the last time I had uploaded something,
19 it had caused significant issues. And it's been filed and
20 served. But I -- I --

21 ADMINISTRATIVE LAW JUDGE: Well --

22 MR. GLAUBERMAN: -- saw the --

23 ADMINISTRATIVE LAW JUDGE: The problem -- the problem
24 with that is that it would not be a part of the official
25 record. If there's an appeal, you will have to go through

1 some hoops to get it before the appellate body.

2 MR. GLAUBERMAN: Okay. Well --

3 ADMINISTRATIVE LAW JUDGE: So --

4 MR. GLAUBERMAN: I -- I can -- I can upload it during
5 our next break, Your Honor, and hopefully -- or have my
6 secretary upload it that way we can -- I feel she's better
7 at it than me.

8 ADMINISTRATIVE LAW JUDGE: I don't doubt.

9 MR. GLAUBERMAN: Yeah. I'll -- I'll -- I'll ask her
10 to do that. And then as far as the request for official
11 notice, we'll try to get it together. Most of it is in
12 there, but not all the pages made it up, and that is the
13 very first thing in CalPERS's evidence even though it was
14 the last thing that was uploaded by us.

15 ADMINISTRATIVE LAW JUDGE: Okay.

16 MR. GLAUBERMAN: So page 10 -- page 10 of the PDF is
17 the pleading. And it lists five different documents -- or
18 six, but I believe only 4 got uploaded.

19 ADMINISTRATIVE LAW JUDGE: Well, why don't you try --
20 why don't you ask your secretary to try to upload that
21 too. And let us --

22 MR. GLAUBERMAN: Okay.

23 ADMINISTRATIVE LAW JUDGE: -- know how it turns out.

24 MR. GLAUBERMAN: We'll do that.

25 ADMINISTRATIVE LAW JUDGE: And if it doesn't make it

1 into CaseLines, we'll figure out a different way to deal
2 with it.

3 MR. GLAUBERMAN: I think that sounds fair.

4 ADMINISTRATIVE LAW JUDGE: All right. Let me see.

5 Mr. Morrison, your case, please.

6 MS. MORENZ: Your Honor, can we take a ten-minute
7 break, and then I'll have our witness get online?

8 ADMINISTRATIVE LAW JUDGE: Yes. Indeed we can.

9 MR. MORRISON: And -- and actually be- -- before we do
10 that, I'm wondering about exhibits. Your Honor, it seems
11 you don't have access to our exhibits. Have you been able
12 to remedy that?

13 ADMINISTRATIVE LAW JUDGE: Well, as I told you, I have
14 everything that was uploaded as of yesterday morning. I
15 have as email attachments. And I -- after Ms. Morenz told
16 me that she thought she had taken care of the problem with
17 the documents index, I've sent an email to Judge Cole
18 asking him to copy the new document index and send it to
19 me. And when we take our break --

20 MR. MORRISON: Okay.

21 ADMINISTRATIVE LAW JUDGE: -- I'll find out whether he
22 has done that.

23 MR. MORRISON: Great. Thank you.

24 ADMINISTRATIVE LAW JUDGE: We'll be in recess for ten
25 minutes. Thank you all.

1 (Pause in the proceedings)

2 ADMINISTRATIVE LAW JUDGE: All right. Back on the
3 record, please.

4 Ms. Morenz.

5 MS. MORENZ: Yes. Thank you. The District would like
6 to call Gary Stine as a witness.

7 ADMINISTRATIVE LAW JUDGE: Mr. Stine, good morning,
8 sir. I don't think -- I don't think you were here
9 yesterday, were you?

10 MR. STINE: I was not.

11 ADMINISTRATIVE LAW JUDGE: Okay.

12 THE STENOGRAPHER: Mr. Stine, can you just make sure
13 to keep your voice up? It's really hard to hear you.

14 MR. STINE: Oh, sure. Sorry about that. Is that any
15 better?

16 ADMINISTRATIVE LAW JUDGE: What's your title, sir?

17 MR. STINE: Okay. My title is the Executive Director
18 of Support Services.

19 ADMINISTRATIVE LAW JUDGE: All right. Back on the
20 record, please.

21 Mr. Stine, I'm going to ask you to take an oath.22 ///

23 ///

24 ///

25 ///

1 GARY STINE,
2 called as a witness, and having been first duly sworn by
3 the Administrative Law Judge, testified as follows:
4

5 THE WITNESS: I do.

6 ADMINISTRATIVE LAW JUDGE: State your name and spell
7 it for the record, please.

8 THE WITNESS: Sure. My name's Gary Stine. G-A-R-Y,
9 S-T-I-N-E.

10 ADMINISTRATIVE LAW JUDGE: Ms. Morenz.

11 MS. MORENZ: Thank you.
12

13 DIRECT EXAMINATION

14 BY MS. MORENZ:

15 Q Good morning, Mr. Stine. Where do you work?

16 A I work for the Orange County Department of
17 Education.

18 Q Could we refer to your employer as "OCDE"?

19 A Yes. Please.

20 Q Okay. What is your position with OCDE?

21 A I'm the Executive Director of Support Services.

22 Q Okay. And how long have you been in that
23 position for?

24 A In this position, nine years, but I've been with
25 the agency for 16.

1 Q Okay. What was your prior position?

2 A I was the manager of application development.

3 Q Okay. Can you describe your general duties as
4 executive director?

5 A Sure. So I -- I oversee a number of programs and
6 services provided to school districts. The -- the -- the
7 bulk of which surrounds payroll and retirement -- payroll
8 processing and retirement reporting and various other
9 things we provide. So application services and -- a
10 variety of services.

11 Q Okay. And -- and would that involve CalPERS
12 reporting?

13 A Yeah. Absolutely, yes. Cal- -- retirement
14 reporting, as I mentioned. So reporting to CalSTRS and
15 CalPERS is all funded by -- by the OCDE. Yes.

16 Q Can you describe the relationship between OCDE
17 and Tustin Unified School District with respect to CalPERS
18 issues?

19 A Sure. As a county office, OCDE has -- has a
20 statutory role in reporting retirement transactions to
21 CalPERS. We -- obviously, at Tustin Unified, we have an
22 oversight responsibility there, and we process payroll for
23 them among other services. Yeah.

24 Q Okay. Does OCDE have a role in providing
25 education or resources to school districts such as Tustin

1 Unified?

2 A Yes, we do. So in that liaison role, we, you
3 know, the information that comes out from retirement
4 agencies are anywhere from the state. So CDE, CalPERS,
5 CalSTRS. We do have a role in making sure that that
6 information gets to the districts, even though the -- the
7 circulars are public, we make sure that we pass those
8 down.

9 We also provide training from time to time to the
10 school districts, and we have retirement staff that try to
11 answer all the questions that we can.

12 ADMINISTRATIVE LAW JUDGE: And you said that the --
13 that that role concerns what kind of information? What
14 kind of training and education?

15 THE WITNESS: So, well, a variety. But with regards
16 to CalPERS, it would be when, let's say, circulars come
17 out, and we will have -- we will make sure that districts
18 are aware of them. Have discussions that are -- we have
19 payroll advisory meetings usually every month and
20 sometimes every other month where we discuss retirement
21 items, we discuss changes in payroll law, and a variety of
22 other things.

23 BY MS. MORENZ:

24 Q Okay. And are you aware of how Tustin calculates
25 hourly pay for classified employees?

1 A Yes, I am.

2 Q How long have you been aware of their method of
3 calculating hourly rate?

4 A I mean, dir- -- directly aware. I've been aware
5 of when I was contacted with regard to the Cal- -- CalPERS
6 audit. But yes. I mean, that's when I became aware
7 specifically of Tustin's calculations when I was brought
8 into the discussion about the salary.

9 Q Okay. And what is your understanding of how
10 Tustin calculates hourly payrate for it's classified
11 employees?

12 A So my understanding is that they use a 21-day
13 divisor, or what we could call a 21-day divisor, when
14 calculating -- translating, I should say, not calculating,
15 the monthly rate down to an average rate of pay.

16 Q Okay. So if we start with the monthly rate of
17 pay in Tustin, is it accurate that you would divide that
18 monthly rate by 21 to first get a daily rate?

19 A Yes. That's correct.

20 Q Okay. And then would we then divide that daily
21 rate by 8 to get an hourly rate?

22 A Yes. That is correct.

23 Q Okay. So essentially we're dividing the mo- --
24 ADMINISTRATIVE LAW JUDGE: Give me a second.

25 MS. MORENZ: No problem.

1 ADMINISTRATIVE LAW JUDGE: Give me a second. So
2 you -- you divide the monthly rate by 21 days to get a
3 daily rate, and you divide that by eight hours to get an
4 hourly rate; is that right?

5 THE WITNESS: Yes, using a 21-day divisor. Yes.

6 ADMINISTRATIVE LAW JUDGE: Thanks.

7 BY MS. MORENZ:

8 Q Okay. So -- and -- and, essentially, you were
9 dividing the monthly rate by 168, which is 21 times 8, and
10 that's how Tustin gets their hourly rate; is that correct?

11 A Yes. That would be correct.

12 Q Okay. Are you aware of how long OCDE as an
13 agency has been aware of Tustin's practice using the
14 21-day factor?

15 A I was -- I -- I don't know exactly when but
16 several years, I would say, based on that information I've
17 collected.

18 Q Okay. Instead of using 168 as the divisor or 21
19 days in the month as a divisor, is it correct to state
20 that CalPERS is saying that the District must use 173.33
21 as its divisor?

22 A Yes. That is my understanding.

23 Q Okay. Are you aware of any legal requirements
24 that school districts use 173.33 as a factor for
25 calculating hourly payrate?

1 A No. Not -- not to my knowledge. Not that
2 specific calculation.

3 Q Okay. And prior to this audit at issue, had OCDE
4 ever received anything by way of a circular from CalPERS,
5 or a statute, or a regulation that requires use of 173.33
6 as a factor for calculating hourly payrate?

7 A Have we? No. We have not.

8 Q Okay.

9 ADMINISTRATIVE LAW JUDGE: Ms. Morenz, may I ask you a
10 question?

11 MS. MORENZ: Yes.

12 ADMINISTRATIVE LAW JUDGE: All of you probably thing I
13 should know this by now, but -- so does the 173.33 equate
14 in some way to the 168? Is the school district saying 168
15 and PERS is saying 173.33?

16 MS. MORENZ: Correct.

17 ADMINISTRATIVE LAW JUDGE: Okay. Thanks. I thought
18 that was it.

19 BY MS. MORENZ:

20 Q Okay. Mr. Stine, had there been such a circular,
21 or statute, or regulation that using 173.33 was a
22 requirement by CalPERS, is that something you would have
23 shared with school districts in the county such as Tustin
24 Unified?

25 A Yes, of course.

1 Q And had OCDE been aware of a legal requirement to
2 use 173.33 as a factor in calculating hourly payrate,
3 would OCDE have tried to work with school districts in the
4 County to get them in compliance with that legal
5 requirement?

6 A Yes, as best we could. I mean, obviously, it's a
7 negotiating every salary schedule's negotiated locally in
8 the bargaining unit so, yes, but, absolutely, we would --
9 would have worked with them.

10 Q Okay. And, to your knowledge, at the time of the
11 audit period, which I will represent to you was from 2012
12 to 2017, were other school districts in the County using a
13 factor other than 173.33?

14 A Yes.

15 Q Okay. And are you aware of other school
16 districts in the County that were using the same factor as
17 Tustin was, the 21-day factor?

18 A Yes. Yes. Sorry.

19 MS. MORENZ: Okay. I'm going to pull up -- I'll share
20 a screen and pull up District's Exhibit 11.

21 Okay. And this -- the case file number is B263.
22 And I'll scroll -- scroll down to B264.

23 (Exhibit B-11 was displayed)

24 BY MS. MORENZ:

25 Q Mr. Stine, do you recognize this document?

1 A Yes, I do.

2 Q And can you tell me how you're familiar with this
3 document?

4 A Yes. It -- I believe it -- well, obviously, it
5 was compiled by one of my colleagues, Praveen Chaudhri.
6 So I was there in -- with the District --

7 ADMINISTRATIVE LAW JUDGE: I'm sorry. I'm having
8 trouble hearing you.

9 THE WITNESS: Sorry. It -- it was compiled by a
10 colleague, Praveen Chaudhri, who is listed there on the
11 email -- in -- at the request of Tustin Unified.

12 BY MS. MORENZ:

13 Q And who deci- --

14 THE STENOGRAPHER: I really need you to keep your
15 voice up, sir. It's really hard to hear you. And you
16 trail off at the end.

17 THE WITNESS: I -- I apologize for that.

18 BY MS. MORENZ:

19 Q And are you aware of where Veena compiled this
20 information from?

21 A Yes. So she pulled this information from our
22 payroll system, which is -- yeah. So she pulled it from
23 our payroll system, which -- which has the number of days
24 and the number hours districts used at that time.

25 Q Okay. And, to your knowledge, is this a true and

1 accurate copy of the email sent from Veena to the other
2 recipients listed in this email?

3 A Yes.

4 MS. MORENZ: Okay. Your Honor, I'd like to move
5 Exhibit 11 into evidence.

6 ADMINISTRATIVE LAW JUDGE: Give me second, please.

7 So I -- Judge Cole did send me a copy of the
8 bundles document index, and it has not changed. It's the
9 same mess that I printed out a few days ago. So I'm going
10 to have to just create a -- an exhibit list.

11 So did you use -- did you use numbers for your
12 exhibits?

13 MS. MORENZ: Unfortunately, we did. We -- the
14 District used numbers and CalPERS used numbers. The one
15 thing that was fixed last night is, yesterday, we also had
16 "A" and a number, but now our -- the District's exhibits
17 are now designated with "B."

18 ADMINISTRATIVE LAW JUDGE: Okay. So --

19 MS. MORENZ: So our page numbers in the case file
20 start with a "B."

21 ADMINISTRATIVE LAW JUDGE: Give me a second. And
22 would you remind me, have we admitted any District
23 exhibits at this point?

24 MS. MORENZ: I don't believe so. We started talking
25 about our Exhibit 1 yesterday. CalPERS also wanted to

1 admit that, but I don't think we actually did that because
2 of the mess in case -- in case file.

3 ADMINISTRATIVE LAW JUDGE: Okay. Let -- let me just
4 get an exhibit list started for you then.

5 MS. MORENZ: Okay.

6 ADMINISTRATIVE LAW JUDGE: So I'm going to have to do
7 this by hand.

8 Okay. So this is the District's Exhibit 11. And
9 it starts at CaseLines page B263. And what shall we give
10 this as a description of title?

11 MS. MORENZ: We can describe it as -- it -- let me be
12 consistent with our exhibit list. We described it as
13 email from Praveen Chaudhri, the author of the email.

14 ADMINISTRATIVE LAW JUDGE: How do you spell
15 "Chaudhri"?

16 MS. MORENZ: C-H-A-U-D-H-R-I.

17 ADMINISTRATIVE LAW JUDGE: Is there a date?

18 MS. MORENZ: April 30th, 2019.

19 ADMINISTRATIVE LAW JUDGE: And what does it concern?
20 Is there -- are there one or two words that we can put it
21 to say what it concerns?

22 MS. MORENZ: We can say "District's days and hours per
23 month." That's what the subject line is of the email.

24 ADMINISTRATIVE LAW JUDGE: Okay. Give me just a
25 second. B-11 is an email dated April 30th, 2019, from

1 Chaudhri regarding days and hours per month.

2 Objections to 11?

3 (Respondent's Exhibit B-11 was marked for
4 identification by the Administrative Law Judge.)

5 MR. GLAUBERMAN: No objections at this time, Your
6 Honor.

7 ADMINISTRATIVE LAW JUDGE: That's in evidence.

8 (Respondent's Exhibit B-11 was received in
9 evidence by the Administrative Law Judge.)

10 MS. MORENZ: Okay. Thank you.

11 BY MS. MORENZ:

12 Q Mr. Stine, do you see four different columns here
13 in this email?

14 A Yes, I do. Is my volume any better because I --
15 I switched --

16 ADMINISTRATIVE LAW JUDGE: Yes.

17 THE WITNESS: Okay. Perfect. Okay.

18 BY MS. MORENZ:

19 Q Okay. Looking at the first column at the top,
20 it's -- it says DIST, which I -- I believe represents
21 "district." Can you --

22 A Correct.

23 Q -- tell me what -- can you tell me what the
24 numbers represent that are beneath that designation
25 "district"?

1 A They're -- they're internal codes for -- for a
2 district. That's how we identify them.

3 Q Okay. And so those are various school districts
4 within Orange County?

5 A That is correct.

6 Q Is that -- okay. Going to the next column, it
7 says "fiscal year," and it says 2018 to 2019. Does this
8 information concern the 2018 to 2019 school year?

9 A It's -- it appears to, yes.

10 Q Okay. Going to the next column, it says "number
11 of days." Can you tell me what those numbers represent
12 beneath that column?

13 A Yeah. That could be the District's default
14 number of days per month that they use.

15 Q Okay. And -- and, for example, if Tustin was on
16 this list, would their -- would that column say 21 days?

17 A Yes. And it does.

18 Q Okay. And going on to the next column, it says
19 "number of hours."

20 A Yes.

21 Q And what does that represent to you?

22 A So the number of hours is the -- it equates to
23 the number of days, but that would be the default number
24 of hours per month that they assume.

25 Q Okay. And so would it be accurate to say during

1 the 2018 to 2019 fiscal year, school districts in Orange
2 County were using, maybe, a different factors [sic] other
3 than 173.33 to calculate hourly payrate?

4 A Yes.

5 ADMINISTRATIVE LAW JUDGE: Give me a second, please.

6 Thank you.

7 BY MS. MORENZ:

8 Q Okay. Mr. Stine, as of today, are you aware if
9 CalPERS has adopted any official statement or legal
10 requirement that school districts are bound to use 173.33
11 as a factor when calculating hourly pay?

12 A No, I am not.

13 Q Okay. Are you familiar with the California
14 Association of School Business Officials also known as
15 CASBO?

16 A Yes, I am.

17 Q Okay. And are you involved with that
18 organization?

19 A Yes.

20 Q And can you describe your involvement with that
21 organization?

22 A Sure. I've been a member for, roughly, 20 years.
23 And I'm currently sitting in -- or I'm the -- what do we
24 call it? The vice chair of the Legislative Committee.

25 Q Can you briefly describe what CASBO does as an

1 organization?

2 A Sure. So CASBO is -- as a -- as you mentioned,
3 they are the Association of School Business Officials. So
4 it is the primary professional development source for
5 school districts throughout California. They advocate for
6 school districts, obviously. That's legislatively and are
7 very heavily involved with establishing best practices and
8 educating the school business officials.

9 Q Does CASBO host educational conferences for its
10 members?

11 A Yes. Several times a year.

12 Q And who presents at those conferences?

13 A The -- the presentations range from -- a lot of
14 them are member driven. They're vetted by committees, but
15 then we also invite outside agencies, such as CalPERS,
16 CalSTRS, and others, to come present as well.

17 Q Okay. Would you say that the materials that are
18 presented at CASBO conferences represent commonly accepted
19 knowledge and business practices within that industry?

20 A Yes.

21 Q And if there was a new legal requirement by
22 CalPERS to use 173.33 as a factor in calculating hourly
23 pay, is that something that you believe would be covered
24 at a CASBO conference?

25 A I believe so. Yes.

1 MS. MORENZ: Okay. I'm going to pull up District's
2 Exhibit 9.

3 (Exhibit B-9 was displayed)

4 ADMINISTRATIVE LAW JUDGE: B-9 begins at CaseLines
5 page B-114. And how shall we describe this?

6 MS. MORENZ: We can describe it as "CASBO payroll
7 concepts." And there's a date on here. June 1999.

8 ADMINISTRATIVE LAW JUDGE: All right. Is this a
9 manual? A booklet? A what?

10 MS. MORENZ: It's -- they are pre- -- presentation
11 materials.

12 ADMINISTRATIVE LAW JUDGE: Objections?

13 Oh. Well, I'm sorry. You want to lay a
14 foundation for this?

15 (Respondent's Exhibit B-9 was marked for
16 identification by the Administrative Law Judge.)

17 MS. MORENZ: Yes.

18 ADMINISTRATIVE LAW JUDGE: Go ahead.

19 BY MS. MORENZ:

20 Q M-- -- Mr. Stine, do you recognize this document?

21 A I do.

22 Q Okay. And can -- can you describe what it is?

23 A Yes. It's -- it's -- appears to be the payroll
24 concepts presentation materials from the 1999 either a
25 conference or -- or a separate training from CASBO.

1 Q Okay. And let me have you turn to the next page,
2 which is B116. And, Mr. Stine, can you tell me what this
3 page says about hourly rate factors?

4 A It presents some of the more common hourly rate
5 factors at that time --

6 Q That --

7 A -- that districts use to calculate hourly rates.
8 If that helps. I'm sorry.

9 Q Okay. And was this information shared with
10 anyone who happened to attend this CASBO presentation?

11 A Yes.

12 Q Okay. If there was only one acceptable method
13 for calculating hourly pay, do you think the CASBO
14 presenter would have listed these three different methods?

15 A I would assume not.

16 Q Okay. To your knowledge, is this a true and
17 accurate copy of the CASBO presentation from June 1999?

18 A Yes. I believe I have this same written
19 material. Yes.

20 MS. MORENZ: Okay. Your Honor, I would like to move
21 District's Exhibit 9 into evidence.

22 ADMINISTRATIVE LAW JUDGE: These factors were used to
23 calculate what? Payrate? Or what were they used --

24 THE WITNESS: Well, so it lists both the daily rate
25 and the hourly rate. So it -- the factors are -- they

1 provide two different factors. One for the number of --
2 standard number of days, one for the standard number of
3 hours per month.

4 ADMINISTRATIVE LAW JUDGE: Objections to B-9?

5 MR. GLAUBERMAN: No objection to a 1999 payroll
6 concepts document, Your Honor.

7 ADMINISTRATIVE LAW JUDGE: That's in evidence.

8 (Respondent's Exhibit B-9 was received in
9 evidence by the Administrative Law Judge.)

10 MS. MORENZ: Thank you. I'm next going to share on
11 the screen District's Exhibit 10, which starts at case
12 file number B117.

13 (Exhibit B-10 was displayed)

14 ADMINISTRATIVE LAW JUDGE: How shall we describe that?

15 MS. MORENZ: We can also call it "payroll concepts,"
16 but we can give it the date of 2006.

17 ADMINISTRATIVE LAW JUDGE: Is it another CASBO
18 publication?

19 MS. MORENZ: Correct.

20 ADMINISTRATIVE LAW JUDGE: Okay.

21 Exhibit B-10 for identification starts at
22 CaseLines B117. It is "CASBO 2006 workshop materials on
23 payroll concepts."

24 Go ahead, please.

25 (Respondent's Exhibit B-10 was marked for

1 identification by the Administrative Law Judge.)

2 MS. MORENZ: Okay.

3 BY MS. MORENZ:

4 Q Mr. Stine, do you recognize this document?

5 A I do. Yes.

6 Q Could you tell me what it is?

7 A It's -- it's the presentation handouts for the
8 payroll concepts at -- from 2006 presented at one of the
9 CASBO conferences.

10 Q Okay. Is this another piece of workshop material
11 that you also keep in your office?

12 A I believe I have this one as well. Yes.

13 Q Okay. I'm going to turn to -- okay. I am
14 showing on the screen, it's case file page number B154
15 within District's Exhibit 9 [sic]?

16 ADMINISTRATIVE LAW JUDGE: 9 or 10?

17 MS. MORENZ: Oh, I'm sorry. 10.

18 BY MS. MORENZ:

19 Q Okay. Mr. Stine, based on this slide, was CASBO
20 informing its members that there were multiple methods for
21 calculating hourly payrate?

22 A Yes.

23 Q Okay. And, again, if there was only one
24 acceptable way to calculate hourly pay factors, do you
25 think the CalPERS' presenter would be offering a slide

1 that has multiple pay factors in it?

2 A Just -- just a correction. It's CASBO presenter;
3 correct? I think you said CalPERS, but --

4 Q I'm sorry.

5 A Yes. If there was only one method, the others
6 would not be presented. Correct.

7 Q Okay. And based on your understanding of CASBO
8 as an organization and its membership, would you say that
9 what's taught at CASBO conferences constitutes widely
10 accepted information and business practices within the
11 industry?

12 A Yes.

13 MS. MORENZ: Okay. Your Honor, I would like to admit
14 District's Exhibit 10 into evidence.

15 ADMINISTRATIVE LAW JUDGE: Okay. Objections to 10?

16 MR. GLAUBERMAN: No objection, Your Honor.

17 ADMINISTRATIVE LAW JUDGE: That's in evidence.

18 (Respondent's Exhibit B-10 was received in
19 evidence by the Administrative Law Judge.)

20 MS. MORENZ: Okay.

21 Okay. I'm going to pull up Ex- -- District's
22 Exhibit 12, which starts at case file number B266.

23 (Exhibit B-12 was displayed)

24 ADMINISTRATIVE LAW JUDGE: What shall we call that?
25 Is this a letter?

1 MS. MORENZ: It is a letter.

2 ADMINISTRATIVE LAW JUDGE: Give me a second, please.
3 Could I -- can you scroll back up so I can see the date?
4 August 8th. And who sent it? Who's the author?

5 MS. MORENZ: The author is Sondra Dougherty.

6 ADMINISTRATIVE LAW JUDGE: And who's the addressee?
7 Wagner?

8 MS. MORENZ: It is Brock Wagner (phonetic).

9 ADMINISTRATIVE LAW JUDGE: B-12 for identification
10 starts at page, base -- base lines page B266. It is an
11 August 8th, 2008 letter from Dougherty to Wagner.

12 Go ahead, please.

13 (Respondent's Exhibit B-12 was marked for
14 identification by the Administrative Law Judge.)

15 BY MS. MORENZ:

16 Q Mr. Stine, do you recognize this document?

17 A I do.

18 Q And how are you familiar with it?

19 A It's -- it's -- well, I'm familiar -- so I have
20 this in my files as well. This was written from -- by my
21 predecessor, so I -- I had these in my files.

22 Q Okay. Is it typical for OCDE to issue letters to
23 individual school districts?

24 A Yes. From time to time, we will get requests
25 about specific items that a district might be asking for

1 clarification on. And we will -- we will write a letter
2 to individual districts.

3 Q Okay. And in this letter is Tustin Unified
4 School District asking OCDE if it's okay to use a 21-day
5 pay factor?

6 ADMINISTRATIVE LAW JUDGE: No.

7 THE WITNESS: Yes. This -- sorry?

8 ADMINISTRATIVE LAW JUDGE: No. Tustin Unified School
9 District -- this is not a letter in which Tustin Unified
10 School District asks the question. This is a letter in
11 which Dougherty answers the question. Isn't it?

12 THE WITNESS: Yes.

13 MS. MORENZ: Yes. Thank you for that clarification.

14 THE WITNESS: So yes. The letter is about -- I
15 believe is about the Fair Labor Standards Act or FLSA.
16 The District wanted to make sure they were in compliance
17 since they used the 21-day calculation for their hourly
18 rates.

19 BY MS. MORENZ:

20 Q Okay. And based on this letter as of
21 August 8th, 2007, could we conclude that OCDE was aware
22 that Tustin was using a 21-day factor when calculating the
23 hourly pay?

24 A Yes.

25 Q Okay. And if OCDE believed that the 21-day

1 factor was out of compliance, for example, with CalPERS's
2 laws and regulations, is that something it would have
3 pointed out to Tu- -- Tustin?

4 A Typically --

5 MR. GLAUBERMAN: Objection. Speculation.

6 THE WITNESS: Yes.

7 MR. GLAUBERMAN: Or --

8 ADMINISTRATIVE LAW JUDGE: Was there a -- was there an
9 objection?

10 MR. GLAUBERMAN: Speculation, Your Honor. Yes, Your
11 Honor. I object to that as speculation because this
12 letter was drafted before his time, and she's asking for
13 his opinion on something that happened before he was in
14 his current position.

15 ADMINISTRATIVE LAW JUDGE: Sustained.

16 BY MS. MORENZ:

17 Q Okay. Mr. Stine, you said that OCDE had the
18 practice of responding to questions from individual school
19 districts; is that correct?

20 A Yes.

21 Q Okay. If a school district shared in asking a
22 question to OCDE that it was engaging in a practice that
23 OCDE believed was not in compliance with the law, would
24 OCDE point out that the District is out of compliance?

25 A Typically, yes.

1 MS. MORENZ: Okay. Your Honor, I would like to admit
2 District's Exhibit 12 into evidence.

3 ADMINISTRATIVE LAW JUDGE: Objections?

4 MR. GLAUBERMAN: Relevance. This appears to be a
5 documented related FSLA reporting and not to CalPERS
6 reporting, Your Honor.

7 ADMINISTRATIVE LAW JUDGE: Well, let me read it.

8 Well, the objection's overruled. B-12 is in
9 evidence.

10 (Respondent's Exhibit B-12 was received in
11 evidence by the Administrative Law Judge.)

12 MS. MORENZ: Okay. Thank you. I have no further
13 questions for this witness.

14 ADMINISTRATIVE LAW JUDGE: All right.

15 Mr. Glauberman?

16 MR. GLAUBERMAN: Just a few, Your Honor.

17

18 CROSS-EXAMINATION

19 BY MR. GLAUBERMAN:

20 Q Mr. Stine, you said you've been in your current
21 position for how many years?

22 A Nine years.

23 MR. GLAUBERMAN: Okay. And -- let's see here. I'm
24 going to share my screen. And I'm looking at
25 Exhibit B-11, which is on page B263 -- or 264, actually.

1 (Exhibit B-11 was displayed)

2 BY MR. GLAUBERMAN:

3 Q And you said that Tustin on screen is listed
4 somewhere on this document?

5 A Yes.

6 Q Where?

7 A It --

8 Q What would -- are they?

9 A The -- they're district 087.

10 Q Okay. So if the I come down here (indicating),
11 I'm highlighting that "087," that is the District of
12 Tustin --

13 A Cor- --

14 Q -- Unified?

15 A Correct.

16 Q Okay. I just wanted to clear that up. Do you
17 know what precipitated this email?

18 A It had to do with the -- I believe the findings
19 from the CalPERS audit.

20 Q Okay. And what years were the CalPERS audit? Do
21 you know?

22 A I -- honestly, I do not know.

23 Q Okay. Do you know if it covered the years 2018
24 to '19?

25 A I do not know.

1 MR. GLAUBERMAN: Okay. Let's see here. Okay. I'm
2 going to -- I'm on Exhibit -- let's see here. I
3 apologize. I scrolled up to Exhibit 1 in the -- in
4 Respondent's exhibits, which is B-1, now on page B10 --

5 ADMINISTRATIVE LAW JUDGE: I'm sorry. B-1?

6 MR. GLAUBERMAN: Exhibit B-1. Respondent's
7 Exhibit B-1, and I'm page B10 within that exhibit.

8 (Exhibit B-1 was displayed)

9 ADMINISTRATIVE LAW JUDGE: We'll -- we'll -- we'll
10 need to identify this. I don't have anything to identify
11 it.

12 MR. GLAUBERMAN: Of course.

13 ADMINISTRATIVE LAW JUDGE: What -- what is the
14 CaseLines page number?

15 MR. GLAUBERMAN: This is Respondent's --

16 ADMINISTRATIVE LAW JUDGE: Oh.

17 MR. GLAUBERMAN: -- evidence, Exhibit B-1, page --

18 ADMINISTRATIVE LAW JUDGE: (Audio interference) B-1;
19 is that right?

20 MR. GLAUBERMAN: Yes.

21 ADMINISTRATIVE LAW JUDGE: Exhibit B-1. That's at
22 page B1.

23 And how shall we describe this, Ms. Morenz?

24 MS. MORENZ: This is -- actually, we talked about this
25 exhibit yesterday. It's the final audit with excerpts

1 relevant to Tustin.

2 ADMINISTRATIVE LAW JUDGE: I'm sorry. Final audit
3 with?

4 MS. MORENZ: With -- with excerpts that are relevant
5 to Tustin. So --

6 ADMINISTRATIVE LAW JUDGE: Oh. So it's --

7 MS. MORENZ: Yesterday, we talked about the full audit
8 report. This one is --

9 ADMINISTRATIVE LAW JUDGE: Excerpts?

10 MS. MORENZ: Yes.

11 ADMINISTRATIVE LAW JUDGE: Give me a second.

12 Okay. Exhibit B-1 starts at CaseLines page B1,
13 and it is excerpts on the full audit report, excerpts
14 regarding Tustin.

15 Go ahead, please.

16 (Respondent's Exhibit B-1 was marked for
17 identification by the Administrative Law Judge.)

18 MR. GLAUBERMAN: Thank you, Your Honor. I was looking
19 at page B10 within this document, Your Honor.

20 BY MR. GLAUBERMAN:

21 Q And, Mr. Stine, if you could read to yourself the
22 first sentence of this last paragraph here. And I've
23 highlighted it here for you (indicating).

24 A Okay.

25 Q Just let me know when you're done.

1 A I'm done. Yeah.

2 Q Okay. So ba- -- based on this language in this
3 document, it appears that the audit period was 2012
4 through 2017; is that correct?

5 A It appears that way. Yes.

6 Q Okay. And so the email -- which Exhibit am I
7 looking for? 11. I'm sorry. The email then with the
8 number of days in a year or a month, here, appear to be
9 for different years than at least was part of the subject
10 audit; right?

11 A Yes.

12 Q Okay. Do you know if the amount of days in a --
13 in a district month for Tustin was the same or different
14 during the audit period?

15 A The -- well, I -- I'm not aware of them changing
16 that any time in the -- in the distant past. So this
17 number, even though it says 2018/19, is -- it's -- it's
18 fairly stagnant. District, typically, do not change their
19 hours or days ever. I mean --

20 Q Okay.

21 A -- it has to be negotiated so it doesn't change.22
So...

23 Q Okay. So these numbers just, regardless of the
24 District, generally -- generally base on negotiations or
25 collective bargaining agreements?

1 A Typically, yes.

2 Q Okay. Do you know if CalPERS is listed on those
3 negotiations?

4 A I -- I don't think so. No.

5 Q Okay. And you said in your testimony you're not
6 aware of any CalPERS law that would indicate your
7 requirement for the 173-hour conversion. Do you remember
8 that?

9 A Yes.

10 Q Are you aware of any law that -- that says the
11 168 hours a month should be the conversion or equivalent
12 number of hours in a month?

13 A No.

14 Q And how about a law for the 21 days? Are you
15 aware of one for that?

16 A I am not.

17 MR. GLAUBERMAN: Okay. I'm going to take you back to,
18 I believe, the CASBO documents. And I'm showing now
19 Exhibit B-9, begins on B114 onto 1115. And then let's see
20 here. B116 lists the classified factors, daily rate
21 factors.

22 (Exhibit B-9 was displayed)

23 BY MR. GLAUBERMAN:

24 Q Do you see that?

25 A Yes, sir.

1 Q Okay. And when did you come to learn of this
2 1999 document?

3 A It's -- I've -- I guess, when I started nine
4 years ago. Something about that. Yeah. That's -- it's
5 in my -- my bookshelf, so...

6 Q So when you started this position, you didn't
7 just read the most recent CASBO? You read all the way
8 back to whatever was on your bookshelf?

9 A Well, to be honest, I -- I have a couple, and --
10 and one of them is this far back. So yes. Yeah.

11 Q Okay. And in -- in this daily rate factors, it
12 does include the 21.67 recommen- -- and it says
13 recommended by it -- "factor." Do you see that?

14 A Yes, I do.

15 Q So it's not out of left field when CalPERS's
16 audit finding wa- -- wanted the 1 21.67 to be the daily
17 da- -- the daily days in a month?

18 A It -- is out of left field? I mean, is it -- is
19 it a foreign concept? No, it is not.

20 Q Okay. And so the 173.33 isn't a foreign concept
21 either, is it?

22 A No, it is not.

23 Q Do you know from your experience with Tustin
24 Unified why -- why that number might be used, just in your
25 own words?

1 A The 21 days?

2 ADMINISTRATIVE LAW JUDGE: I'm --

3 MR. GLAUBERMAN: 173.33.

4 ADMINISTRATIVE LAW JUDGE: I'm -- I'm sorry. Did --
5 did you ask whether, based on his experience with Tustin,
6 he knows something about this?

7 MR. GLAUBERMAN: I apologize, Your Honor. And I
8 misspoke. It was the Orange County Office of Education.

9 ADMINISTRATIVE LAW JUDGE: Thanks.

10 THE WITNESS: So are --

11 BY MR. GLAUBERMAN:

12 Q So all --

13 A -- you asking me based -- can you -- I'm sorry.
14 Can you ask me that again?

15 Q Of course. And I apologize. Based on your
16 experience, do you know why the 173.33 is recommended? At
17 least in the CASBO.

18 A Well, I mean, it -- it defines it right here with
19 the calculation. It's -- it seems to be the, I guess,
20 based on the 52-week here. I mean, so yes. I mean, I do
21 know why it's recommended.

22 Q Okay.

23 ADMINISTRATIVE LAW JUDGE: And -- and why is that?

24 THE WITNESS: Because of the 52 weeks a year. So
25 it -- like, the calculation states 40 hours times 52

1 divided by 12. You get 173.33.

2 ADMINISTRATIVE LAW JUDGE: But why do you recommend
3 that one as opposed to of the others?

4 THE WITNESS: Well --

5 ADMINISTRATIVE LAW JUDGE: Is it beca- --

6 THE WITNESS: I mean --

7 ADMINISTRATIVE LAW JUDGE: Is it beca- --

8 THE WITNESS: Let me -- let me just --

9 ADMINISTRATIVE LAW JUDGE: -- or is it because --

10 (Simultaneous crosstalk interrupted by the
11 Stenographer)

12 THE STENOGRAPHER: One at a time, please.

13 THE WITNESS: I apologize. So it -- I -- I just
14 wanted to say, OCDE is not recommen- -- it's not -- this
15 is CASBO recommendation. It's not an OCDE recommendation.
16 It's -- this is CASBO, so...

17 BY MR. GLAUBERMAN:

18 Q Well, do you have any reason to believe -- any
19 reason to know why CASBO recommended this?

20 A It's -- I mean, it -- it -- it is fairly common.
21 But it's probably the most common, but it's -- but it's
22 not the only factor used.

23 Q Understood. And -- and you -- you serve on CASBO
24 right now in one capacity or another; is that correct?

25 A I serve on a legislative committee. Yes.

1 Q Okay. And in that legislative committee, do you
2 deal with the daily rate factors at all that are
3 recommended?

4 A Not -- not in that committee. No.

5 MR. GLAUBERMAN: Okay. Going to stop sharing real
6 quick. One second, please. I'm going to bring up B-12,
7 which is on B267. And I'm going to share my screen with
8 you.

9 (Exhibit B-12 was displayed)

10 BY MR. GLAUBERMAN:

11 Q Do you see it, sir?

12 A Yes, sir.

13 Q All right. And CalPERS isn't referenced anywhere
14 in this document, are they?

15 A No.

16 Q Okay.

17 A They're not.

18 Q And does the -- to the best of your knowledge, it
19 doesn't look like -- or to the -- to -- on the face, this
20 letter doesn't look like it consulted CalPERS about
21 anything included in the letter, does it?

22 A No. It -- it does not indicate that. No.

23 MR. GLAUBERMAN: Okay. I think that is all I have for
24 you. Thank you, sir.

25 THE WITNESS: No problem.

1 ADMINISTRATIVE LAW JUDGE: Ms. Morenz, further direct?

2 MS. MORENZ: I have just one question. I'm going to
3 share District's Exhibit 11. CaseLine page --

4 ADMINISTRATIVE LAW JUDGE: And that's B-11?

5 MS. MORENZ: -- B264. So B-11, page B264.

6 (Exhibit B-11 was displayed)

7

8 REDIRECT EXAMINATION

9 BY MS. MORENZ:

10 Q Okay. Mr. Stine, looking at this document, what
11 is the most common daily rate factor used in Orange County
12 school districts during the fiscal year 2018 to do -- to
13 2019?

14 MR. GLAUBERMAN: Objection, Your Honor. The document
15 speaks for itself.

16 ADMINISTRATIVE LAW JUDGE: Sustained.

17 MS. MORENZ: Okay. I have no further questions.

18 ADMINISTRATIVE LAW JUDGE: Is there any reason
19 Mr. Stine should not be released?

20 MS. MORENZ: Nope.

21 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman?

22 MR. GLAUBERMAN: Nothing further, Your Honor.

23 ADMINISTRATIVE LAW JUDGE: Is there any reason he
24 should not be released?

25 MR. GLAUBERMAN: No, Your Honor. I'm sorry.

1 ADMINISTRATIVE LAW JUDGE: Mr. Stine, we thank you
2 very much, sir, and you're released. You're welcome to
3 sign off. You're also welcome to stay and observe, if you
4 prefer to do that. Thank you, sir.

5 THE WITNESS: Thank you.

6 MR. GLAUBERMAN: Mr. Stine.

7 ADMINISTRATIVE LAW JUDGE: What's next from the school
8 district?

9 MS. MORENZ: Your Honor, I would like to call Anthony
10 Soria. Let me see if he can get on.

11 ADMINISTRATIVE LAW JUDGE: All right.

12 MR. SORIA: Good morning.

13 ADMINISTRATIVE LAW JUDGE: Mr. Soria?

14 MR. SORIA: Yes.

15 ADMINISTRATIVE LAW JUDGE: Good morning, sir.

16 MR. SORIA: Good morning.

17 ADMINISTRATIVE LAW JUDGE: Not sure why we can't see
18 you. Do you have --

19 MR. SORIA: Oh, hold on a second. Hold on. I need
20 to --

21 ADMINISTRATIVE LAW JUDGE: Okay.

22 MR. SORIA: -- pull up my lid there on my screen.

23 ADMINISTRATIVE LAW JUDGE: Oh. Very well. Thank you
24 very much.

25 MR. SORIA: Yep.

1 ADMINISTRATIVE LAW JUDGE: All right. Mr. Soria, I'm
2 going to administer an oath to you.

3 MR. SORIA: Okay.

4
5 ANTHONY SORIA,
6 called as a witness, and having been first duly sworn by
7 the Administrative Law Judge, testified as follows:

8
9 THE WITNESS: Yes.

10 ADMINISTRATIVE LAW JUDGE: State your name, please,
11 and spell it for the record.

12 THE WITNESS: Anthony Soria. A-N-T-H-O-N-Y,
13 S-O-R-I-A.

14 ADMINISTRATIVE LAW JUDGE: Very well.

15 Miss- -- Ms. Morenz?

16 MS. MORENZ: Thank you.

17
18 DIRECT EXAMINATION

19 BY MS. MORENZ:

20 Q Good morning, Mr. Soria.

21 A Okay. Good morning.

22 Q Where do you work?

23 A Tustin Unified School District as a Chief
24 Financial --

25 Q And what did --

1 A -- officer.

2 Q Okay. How long have you been in the position of
3 Chief Financial Officer?

4 A I've been Chief Financial Officer for about
5 11 years, and, before that, I was Director of Business
6 Services for another ten years with the District. So I've
7 been with the District for about 21 years.

8 Q Okay. And can you describe your general duties
9 as Chief Financial Officer of the District?

10 A Yes. I oversee all business operations. So that
11 includes budgeting, finance, accounting, maintenance
12 operations, purchasing, and payroll, as well as
13 facilities. And I also have responsibility over just, you
14 know, working on all major financial issues. So that
15 includes also being an active participant with the -- with
16 the unions in regards to bargaining. So I'm an active
17 member of the bargaining units with regards to Teachers
18 TEA, CSCA with classified staff, SIZMA (phonetic) with the
19 supervisory staff, and also our management team,
20 TIZ (phonetic).

21 Q Okay. Can you elaborate a little bit more on
22 your involvement with negotiating salary schedules for
23 district employees?

24 A So yes. So I'm, you know, I'm an active member
25 of the par- -- that participates on the bargaining unit

1 with the bargaining unit. So in terms of setting the
2 salaries schedule for the following year. So we negotiate
3 that every year. And in the course --

4 THE STENOGRAPHER: I'm sorry. There's some feedback,
5 and I can't hear him quite well.

6 ADMINISTRATIVE LAW JUDGE: Well, anyone who's not
7 speaking, please mute.

8 THE WITNESS: Okay. Yeah. So as active member of the
9 bargaining -- the bargaining team from the District side,
10 we negotiate salaries every year. And that would
11 incorporate, you know, setting the salary schedule for the
12 following year.

13 BY MS. MORENZ:

14 Q Okay. And does the District have separate salary
15 schedules for hourly versus monthly classified employees?

16 A Yes, we do. So we -- we set that up and -- and
17 then they're set for each of the different categories,
18 monthly and -- and the hourly.

19 Q All right. How long has it been the District's
20 practice of having a separate hourly versus monthly pay
21 schedule for classified employees?

22 A To my knowledge, I mean, all of my time with the
23 District, we've -- we've managed it that way. So it's
24 been ever since I've been around. And I would think for a
25 lot longer before that. But that's been a well

1 established practice.

2 Q Okay. So it's been a practice for at least
3 21 years?

4 A Absolutely. Yes.

5 Q Okay. And what is your understanding of the
6 relationship between the hourly and monthly salary
7 schedules for the classified employees?

8 A So our air way rates are established based on the
9 monthly divided by 168 days. We have recognized that if
10 you calculate that out in terms the hourly pay, that it's
11 actually higher than a monthly rate would be. And so
12 we've negotiated that. That's always been part of the
13 process and well understood by -- by everybody on the
14 negotiation team.

15 Q Okay. If the District were to negotiate with
16 TSCA and make a change to the relationship between these
17 two salary schedules, for example, by increasing the pay
18 of monthly employees to equate to the rate of hourly
19 employees, what type of impact would that have on the
20 District?

21 A Well, first of all, just to understand, we --
22 when we negotiate, typically, we do, like, a "me too" with
23 all of the bargaining units. So what we increase
24 one bargaining unit --

25 ADMINISTRATIVE LAW JUDGE: I'm sorry. If they --

1 "typically, we do a" what?

2 THE WITNESS: When we negotiate an agreement, a salary
3 increase, with the bargaining units, whoever they may be,
4 it's usually, like, on a me too basis. So everybody
5 essentially, gets the same amount. So that has been a
6 practice in all my time that I've been here. And so
7 that's what we do.

8 And so, consequently, if we were to increase any
9 one bargaining unit by an amount, we would be pressured
10 and, you know, about that increase impacting them. And so
11 with regards to this particular situation, the
12 differential would be essentially about 3 percent, which
13 would be an overall impact of about \$5,000,000 if we were
14 to implement that across the board among all the -- the
15 units.

16 So it would have a severe financial impact on --
17 on the overall operations if it were to be taken across
18 the board.

19 ADMINISTRATIVE LAW JUDGE: Give me -- give me a
20 second, please.

21 THE WITNESS: Sure.

22 ADMINISTRATIVE LAW JUDGE: When you say "it would have
23 a severe impact," remind me of what the "it" was.

24 THE WITNESS: Well, the cost of \$5,000,000 above and
25 beyond what was -- what was paid. If we were to -- if we

1 were to increase one group, there would be a significant
2 amount of pressure to increase the other groups with
3 similar amount of pay. That's been our practice.

4 And so --

5 ADMINISTRATIVE LAW JUDGE: You're talking about
6 increasing salary. Is that --

7 THE WITNESS: Salary.

8 ADMINISTRATIVE LAW JUDGE: -- what it is?

9 THE WITNESS: Yes.

10 ADMINISTRATIVE LAW JUDGE: Is it -- do you distinguish
11 between payrate and salary?

12 THE WITNESS: With regards to impact to the budget?
13 No. I mean, an increase in the -- in the payrate would --
14 would increase that employee bargaining unit's amount
15 which would then translate to, potentially, increases to
16 other, which would have an impact to the budget.

17 ADMINISTRATIVE LAW JUDGE: Okay. But when -- when --
18 when you talk about "it having a severe impact
19 financially," you're --

20 THE WITNESS: Yes.

21 ADMINISTRATIVE LAW JUDGE: -- talking about increasing
22 salaries; right?

23 THE WITNESS: Correct.

24 ADMINISTRATIVE LAW JUDGE: Give me a second.

25 THE WITNESS: Sure.

1 ADMINISTRATIVE LAW JUDGE: Thank you.

2 BY MS. MORENZ:

3 Q Prior to the current audit, during your 20 plus
4 years of service with the District, did CalPERS, at any
5 time, suggest that that -- the District's practice of
6 maintaining two separate salary schedules, one for
7 monthly, one for hourly, was incorrect?

8 A No. No.

9 Q Okay. Can you tell me how the districts stay up
10 to date on CalPERS legal requirements?

11 A We primarily work with County Office of Education
12 in getting guidance. You know, they're our liaison in
13 working with PERS and STRS, by the way. And so with any
14 reporting requirements and so forth, we work through the
15 County. And so we seek our -- our guidance from the
16 County. And that's where a lot of our information comes
17 from, as well as our research. But, primarily, it's
18 through the county.

19 Q And, to your knowledge, was OCDE aware of the
20 District having two separate salary schedules, one for
21 hourly, one for monthly?

22 A Yeah. They -- they -- they've been aware. I
23 mean, I know that there was some correspondence. A letter
24 that was submitted to the County to get their direction
25 and the input on back in 2007. And so that, you know --

1 so the -- since then, I know, at least that they have been
2 well aware of -- of the differences in the two and how
3 it's set up.

4 MS. MORENZ: Okay. I'm going to pull up District's
5 Exhibit 12.

6 THE WITNESS: Okay.

7 MS. MORENZ: This is B-12 starting at B266. And
8 mi- -- mister -- oh, wait. I haven't shared yet.

9 (Exhibit B-12 was displayed)

10 BY MS. MORENZ:

11 Q Okay. Can you see the screen?

12 A Yeah.

13 Q Okay.

14 A If you can make it bigger, it would be better.

15 Q Okay.

16 A Yeah.

17 Q Is -- is this the letter that you were just
18 referring to?

19 A Yes. Yeah. Yeah. That letter was addressed to
20 my predecessor, Brock Wagner, and I recall in -- in
21 conversations and -- and negotiations, it became a point
22 of -- of discussion.

23 And if you look -- if you look at the bottom of
24 the letter where it's copied to, you'll see that it's
25 copied to Bob Tucker -- Robert Tucker. And he is -- he

1 was the lead CSEA negotiator for the District at the time.
2 And so this was a conversation that was had between the
3 County office and the school district as well as with the
4 inclusion of the CSEA representative from the State to the
5 District in our negotiations process.

6 Let me get that to clarify. Yes.

7 Q Okay. And subsequent to receiving this letter
8 from OCDE, did OCDE ever inform the districts that it
9 should stop using the 21-day factor?

10 A No. No. It wasn't. I mean, and there was a
11 conversation about that. And as I know it, I've had other
12 conversations with other districts as well, that they've
13 done that as well, and that has not been raised as a
14 concern or admission.

15 MS. MORENZ: Okay. Thank you. I have no further
16 questions for this witness.

17 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman?

18 THE WITNESS: He's on mute.

19 MR. GLAUBERMAN: Sorry about that.

20 THE WITNESS: No problem.

21 MR. GLAUBERMAN: Yeah. Thanks for -- thanks for
22 letting me know. I, you know, talk a lot during these
23 Zoom meetings. But anyways.

24 ///

25 ///

CROSS-EXAMINATION

BY MR. GLAUBERMAN:

Q What I was saying was the -- the evidence has been pretty clear that the District maintains two pay schedules for its classified employees. And that -- that was your testimony earlier; right?

A Correct.

Q So who -- who -- who does the District maintain the hourly pay schedule for?

A You know, I don't have the specific breakdown, but -- for the hourly employees. And when we're talking about this particular case, our -- our classified group, I -- I would defer in terms of the expertise of knowing the groups, I would defer to them in terms of the specifics. But I -- of particular groups. But we do have an hourly group and we have --

Q Do -- do you have any idea of what the distinction is between the two?

A With regards to the rate of pay?

Q The hourly versus monthly.

A Yeah. One is hour and one is month. In terms of need or in terms of -- of I'm not sure -- huh?

Q The what. The why -- or -- or strike that. The who. You know, who's going to be on the hourly? Who's going to be on the monthly? Do you have

1 any idea, based on your experience, of what different
2 groups they would be for?

3 A I haven't delved into those specifics.

4 Q So you -- so you -- so you have no idea?

5 A I would say I don't have any specifics with
6 regards to the different groups. Right.

7 Q Okay. You also said that, you know, changing to
8 be all hourly would be -- one pay schedule that's hourly
9 would cost \$5,000,000, ballpark, to the District?

10 A So what I said was, is that there's a
11 differential --

12 I can't see your face, so if you can just to
13 the right. Perfect. Thank you.

14 So -- so what I said is the differential in -- in
15 the pay is about 3 percent. And if you were to
16 extrapolate that based on our -- our past practice and our
17 relationship to our unions, we have been pretty much
18 consistent when we give an increase to one group versus
19 the other, that -- that we do that.

20 And if that were the case, that 3 percent
21 increase would arrive to about \$5,000,000. And so that
22 would be the -- the financial impact. It would -- it
23 would create, at a minimum, a very much of a -- of a
24 serious conversation with the unions and discussing that
25 impact to one group versus the other.

1 ADMINISTRATIVE LAW JUDGE: Give me a second, please.

2 THE WITNESS: Yeah.

3 ADMINISTRATIVE LAW JUDGE: So let me make sure I
4 understand this.

5 THE WITNESS: Go ahead.

6 ADMINISTRATIVE LAW JUDGE: If -- if you changed all of
7 the monthly employees to hourly, that would increase your
8 budget by 3 --

9 THE WITNESS: Five million --

10 ADMINISTRATIVE LAW JUDGE: -- percent of -- by 3
11 percent of what you now pay the monthly employees?

12 THE WITNESS: Correct.

13 ADMINISTRATIVE LAW JUDGE: Is that it?

14 THE WITNESS: Correct.

15 ADMINISTRATIVE LAW JUDGE: Thanks.

16 BY MR. GLAUBERMAN:

17 Q Do you know how the District calculates overtime
18 compensation for its employees, sir?

19 A The specifics in terms of parameters, I would
20 say, no, I'm not going to admit to that. No. That -- I
21 don't have the specifics on that.

22 Q Okay. So it's never been your duties within the
23 District to have anything to do with overtime compensation
24 calculations?

25 A In terms of the specific calculations; correct.

1 MR. GLAUBERMAN: Okay. I am going to direct you to
2 Exhibit -- CalPERS Exhibit 12. And I'm going to pull it
3 up on my screen you don't have to do the work.

4 ADMINISTRATIVE LAW JUDGE: So the --

5 MR. GLAUBERMAN: Done with --

6 ADMINISTRATIVE LAW JUDGE: This -- this is A-12?

7 MR. GLAUBERMAN: A-12. Yes, Your Honor. I'm on --
8 A367 is the cover page, and then A368 is the 2013/14
9 salary schedule.

10 (Exhibit A-12 was displayed)

11 BY MR. GLAUBERMAN:

12 Q Do you see that, sir?

13 A Yeah.

14 Q All right. And so I'm going to highlight
15 something (indicating) because, you know, I -- I think
16 we're get -- we're dealing with Step 36 with this
17 individual, so we're just going to use that for
18 consistency purposes. Do you see that?

19 A Yes.

20 Q Okay. And so if we go down to Step 36 on this
21 next page, which is the classified hourly schedule for
22 2013 and '14, Step 36 -- and if you need me to enlarge, I
23 will.

24 A That would be good. Thanks.

25 Q I know sharing screen can complicate and doing

1 all that. So I got 36. And just the far-right column is
2 \$23.26 an hour. Do you see that?

3 A Yes, I do.

4 Q Okay. And it's your testimony that the person,
5 Step 36, 23.26 would, on average, get 3 percent more in
6 earnings from the -- from the District? Is that what you
7 were saying?

8 A It's that -- it's that -- is that the hourly rate
9 or is that the monthly rate?

10 Q This is the hourly rate.

11 A So --

12 Q This is the hourly salary schedule.

13 A Yeah. So the -- though, the point would be, is
14 that the monthly would be higher -- get the higher pay
15 because, as I understand it, this rate of pay is,
16 essentially, if you were to extrapolate that over a
17 one-month period of time, a person would work a full
18 amount -- a full amount, that would extrapolate to about
19 3 percent more than what the monthly person would be paid.

20 And so if you were to increase the monthly pay,
21 it would be 3 percent more. So if you do --

22 Q Can you do a --

23 A -- one --

24 (Simultaneous crosstalk interrupted by the
25 Stenographer)

1 THE STENOGRAPHER: One at a time, please.

2 MR. GLAUBERMAN: Just a basic calcula- -- I apologize.

3 BY MR. GLAUBERMAN:

4 Q And I -- I believe you saying "3 percent," but I
5 just want to know how -- how you came up with that number.

6 A In terms of -- of the actual rate of pay because
7 the amounts that -- that I've been told and also working
8 with Nam -- Nam with regards to that amount, it's been
9 about 3 percent. So when you -- so when you --

10 Q Go ahead. I'm sorry.

11 A -- calculate that amount based on the --
12 comparing the -- the -- the month -- the hourly rate of
13 pay to the monthly rate of pay, it would be, essentially,
14 a 3 percent increase if you were to work the whole month.

15 Q So you got that 3 percent number from somebody
16 else. Is that what you're saying?

17 A Absolutely. Yes.

18 Q Okay. So it's just hearsay then, the 3 percent
19 number. You have no --

20 A No.

21 Q -- basis to --

22 A Well, no.

23 (Simultaneous crosstalk interrupted by the
24 Stenographer)

25 THE STENOGRAPHER: Let him -- please let him finish

1 his question.

2 THE WITNESS: So --

3 THE STENOGRAPHER: I'm sorry. I need the question
4 said --

5 THE WITNESS: -- just so it's clear.

6 THE STENOGRAPHER: -- again.

7 THE WITNESS: Okay. You want to ask the question
8 again?

9 MR. GLAUBERMAN: Yeah.

10 BY MR. GLAUBERMAN:

11 Q It's -- you're not basing that on your own
12 calculations then. It's hearsay; right?

13 A I will say I'm -- I'm basing it on an expert,
14 who's my director, who is providing me that, basically,
15 what I rely on. Yes. So -- so now --

16 Q So -- so your testimony is not based on your own
17 calculation then?

18 A Correct.

19 Q Okay.

20 A Yeah.

21 MR. GLAUBERMAN: Your Honor, CalPERS moves to strike
22 the testimony of this witness as it relates to the
23 calculations relating to cost of the District.

24 ADMINISTRATIVE LAW JUDGE: I will take note that that
25 was based on hearsay, and it can be used only to

1 supplement or explain non-hearsay evidence. But there may
2 be non-hearsay evidence regarding that point, and if there
3 is, I will then use it as hearsay. But it's in evidence
4 as hearsay only.

5 MR. GLAUBERMAN: Of course. Thank you, Your Honor.

6 I'm not sure if I have anything else for you,
7 sir.

8 One second.

9 I have no more questions for you.

10 ADMINISTRATIVE LAW JUDGE: Ms. Morenz, further direct?

11 MS. MORENZ: I do have just a couple of questions.

12

13 REDIRECT EXAMINATION

14 BY MS. MORENZ:

15 Q So we talked about this 3 percent dif- --
16 differential. It -- is it your understanding that the
17 3 percent differential was calculated based on what
18 CalPERS was asking the District to do in the audit
19 finding?

20 A Correct.

21 ADMINISTRATIVE LAW JUDGE: Give me a second, please.

22 Thank you.

23 MS. MORENZ: Let me get to an exhibit.

24 THE WITNESS: Jacqui, if I can clarify?

25 ADMINISTRATIVE LAW JUDGE: I beg your pardon?

1 THE WITNESS: Oh, Jacqui. I was saying. Can I -- I
2 want to just clarify that the -- the estimate of -- of the
3 \$5,000,000 on 3 percent. I know this 3 percent equates to
4 \$5,000,000. I'm relying on my director who does the
5 calculation, but the amount of the increase is 3 percent.
6 So to clarify that with regards to what I'm, you know,
7 referring to, is that that 3 percent increase in -- in --
8 in that category, based on what I'm told, would equate to
9 \$5,000,000. Just so I was clear.

10 ADMINISTRATIVE LAW JUDGE: Yes. That -- that was my
11 understanding that the hearsay was the 3 percent.

12 THE WITNESS: Correct.

13 ADMINISTRATIVE LAW JUDGE: All right. Very well.

14 THE WITNESS: Okay.

15 MS. MORENZ: Okay. Let me -- I'm going to bring up
16 District's Exhibit 1, page B11. This is the final audit
17 report.

18 (Exhibit B-1 was displayed)

19 BY MS. MORENZ:

20 Q And so miss -- Mr. Soria, is it your
21 understanding, through the audit finding for, CalPERS is
22 suggesting that this employee should have been paid
23 \$3,915.60?

24 A Mm.

25 MR. GLAUBERMAN: I'm -- I'm going to object, Your

1 Honor. This document speaks for itself. And it -- I
2 think the question misstates what the document says.

3 ADMINISTRATIVE LAW JUDGE: Well, yes, I know that.
4 But the question is not objectionable. The question is
5 what was his understanding of this.

6 Your understanding is that point number 4 is a
7 direction from CalPERS -- what was your testimony? That
8 they should pay her more?

9 THE WITNESS: Cor- -- yes. Yes. That's -- that's my
10 understanding.

11 BY MS. MORENZ:

12 Q Okay. And if I suggested to you that this
13 employee was paid by the District \$3,785, would it be
14 accurate to say that there's -- the 3 percent differential
15 that you arrived at was the difference between paying this
16 individual \$3,785 versus the \$3,915 that CalPERS is
17 suggesting she should have been paid?

18 A Correct.

19 MR. GLAUBERMAN: Objection. Compound and leading.

20 ADMINISTRATIVE LAW JUDGE: Well --

21 THE WITNESS: It's okay. That was --

22 MR. GLAUBERMAN: Your Honor, objection. Compound and
23 leading.

24 ADMINISTRATIVE LAW JUDGE: Yes. It was leading.
25 That's sustained. I don't know that it was compound.

1 Sorry.

2 So give me those figures again.

3 MS. MORENZ: Okay. So this employee was paid \$3,875.

4 ADMINISTRATIVE LAW JUDGE: Give me a second.

5 MS. MORENZ: I believe that's the calculation that
6 would take out longevity. 4,022 minus...

7 ADMINISTRATIVE LAW JUDGE: So the employee was paid
8 \$3,785. We get that from making the deduction from
9 \$4,022; right?

10 MR. MORRISON: You -- Your Honor, just one quick point
11 of clarification. I believe it's \$3,795.

12 ADMINISTRATIVE LAW JUDGE: Thank you. And we get that
13 the from making the deduction of \$4,000 -- is it 4,002 or
14 \$4,022?

15 MS. MORENZ: \$4,022.

16 ADMINISTRATIVE LAW JUDGE: Okay. And your question
17 assume that PERS was saying that she should have been paid
18 \$3,915. Now the PERS witnesses say that's not what this
19 means at all. But the witness say, yes, it was his
20 understanding that the first figure was what she paid and
21 that PERS was saying she should have been paid the \$3,915.

22 All right. I get it.

23 THE WITNESS: Correct. Okay.

24 MS. MORENZ: Okay. I have no further questions for
25 this witness.

1 ADMINISTRATIVE LAW JUDGE: Any further cross,
2 Mr. Glauberman?

3 MR. GLAUBERMAN: No questions, Your Honor.

4 ADMINISTRATIVE LAW JUDGE: Is there any reason that
5 Mr. Soria should not be released?

6 MR. GLAUBERMAN: No reason, Your Honor.

7 MS. MORENZ: No reason.

8 ADMINISTRATIVE LAW JUDGE: Mr. Soria, you're released,
9 sir. You're welcome to sign off. You're also wel- --

10 THE WITNESS: Thank you.

11 ADMINISTRATIVE LAW JUDGE: You're also welcome to stay
12 and observe if you'd prefer to do that, and we thank you
13 very much.

14 THE WITNESS: Okay. I'll -- I'll -- I'll go ahead and
15 leave. Thank you.

16 ADMINISTRATIVE LAW JUDGE: What's next, Mr. Morrison?

17 MR. MORRISON: Your Honor, we have -- we have one more
18 witness. My thought would be to perhaps start with her
19 after lunch. We also have some exhibits that -- request
20 for official notice on both sides that we -- that we need
21 to work through.

22 ADMINISTRATIVE LAW JUDGE: All right. That -- that's
23 fine. Why don't -- are we going to have plenty of time to
24 finish up today?

25 MR. MORRISON: I -- I think we are on track to finish

1 today. I -- I just, you know, in terms of, kind of, a
2 rough estimate, I -- I think I'll be able to get through
3 with my next witness on -- on direct and maybe -- maybe an
4 hour.

5 ADMINISTRATIVE LAW JUDGE: Okay.

6 MR. MORRISON: Something along those lines.

7 ADMINISTRATIVE LAW JUDGE: All right. Very well. So
8 let -- ask you to return at 1:00 o'clock, please.

9 (Lunch recess)

10 ADMINISTRATIVE LAW JUDGE: Thank you. On the record,
11 please.

12 Mr. Morrison, who is your next witness?

13 MR. MORRISON: District calls Nam Nguyen.

14 ADMINISTRATIVE LAW JUDGE: Good afternoon, Ms. Nguyen.

15 MS. NGUYEN: Good afternoon.

16 ADMINISTRATIVE LAW JUDGE: I'm going to administer an
17 oath to you.

18
19 NAM NGUYEN,
20 called as a witness, and having been first duly sworn by
21 the Administrative Law Judge, testified as follows:

22
23 THE WITNESS: I do.

24 ADMINISTRATIVE LAW JUDGE: State your name, please,
25 and spell it for the record.

1 THE WITNESS: Nam Nguyen. N-A-M. Last name is
2 N-G-U-Y-E-N.

3 ADMINISTRATIVE LAW JUDGE: Thank you.

4 Mr. Morrison.

5 MR. MORRISON: All right. Thank you, Your Honor.

6

7 DIRECT EXAMINATION

8 BY MR. MORRISON:

9 Q Ms. Nguyen, what is your -- who is your current
10 employer?

11 A Tustin Unified School District.

12 Q And what is your position with the -- with the
13 District?

14 A I'm a Senior Director of Business Services.

15 Q All right. And how long have you been in that
16 position?

17 A Six years.

18 Q All right. And then, prior to working for
19 Tustin, where did you work?

20 A I was at Fullerton Joint Union High School
21 District for 15 years.

22 Q And what was your position there?

23 A Senior -- I mean, Director of Fiscal Services
24 there.

25 Q Okay. And so at Tustin Unified as the Senior

1 Director of Business Services, what are -- what are your
2 general duties?

3 A I oversee our Payroll Unit, and I -- which
4 includes, you know, overseeing all the certificate and
5 classified payroll, meeting with staff, going over all the
6 changes with -- relating to the payroll system, any kind
7 of Bargaining Unit agreement increase, retro and -- and
8 then also handling the budget that's District's budget and
9 the accounting area.

10 Q Okay. And does the District have separate salary
11 schedules for classified hourly and monthly employees?

12 A Yes.

13 Q And how long has that been the case?

14 A Has always been like that ever since I've been
15 here.

16 Q Okay. And does the District collectively bargain
17 its hourly and monthly salary schedules?

18 A Yes.

19 Q All right. And are you familiar with how the
20 District establishes a -- a ratio between it's monthly
21 salary schedule and it's hourly salary schedule?

22 A Yes.

23 Q And -- and how is that ratio calculated or what
24 is that ratio?

25 A We start out with a monthly, and we divide it by

1 the 21-day average to get the daily and then divide it by
2 8 to get the hourly rate.

3 Q Can you describe your involvement with the
4 CalPERS audit that we're litigating today?

5 A I, basically, was the primary person that
6 reviewed the audit and respond to the audit, coordinate
7 all the meetings between our Tustin staff, with my staff,
8 and as well as our personnel office, and OCDE, as well as
9 with CalPERS please as well.

10 MS. MORRISON: All right. I'm going to ask Ms. Morenz
11 to assist me in pulling up District Exhibit No. 1, which
12 starts on page B1. And if we can go to -- sorry. I'm
13 waiting for -- I'm hoping to land on page --

14 (Exhibit B-1 was displayed)

15 BY MR. GLAUBERMAN:

16 Q All right. Ms. Nguyen, do you recognize page B11
17 as containing finding number 4, the finding that we're
18 litigating today?

19 A Yes.

20 Q All right. And when you saw this finding, was it
21 immediately apparent to you what CalPERS wanted the
22 District to do in response?

23 A No. Not at that time. No.

24 Q Okay. And at some point, did you gain an
25 understanding as to what CalPERS wanted the District to

1 do?

2 A At some point, yes.

3 Q And -- and -- and what was that understanding?
4 What -- what did you -- how did you read this language?
5 What did you read this as requiring of the District?

6 A Well, increasing the -- our currently monthly
7 rate for that particular sample employees [sic] from her
8 current rate, on the salary schedule, of \$3,795 to
9 \$3,915.60.

10 Q Okay.

11 ADMINISTRATIVE LAW JUDGE: Give me a second. Half --
12 give me a second.

13 You thought it meant that PERS wanted you to
14 increase what?

15 THE WITNESS: The increase the salary the employee --
16 that the sample employee salary, which is currently from
17 \$3,795 to \$3,915.60.

18 ADMINISTRATIVE LAW JUDGE: Would you give me those
19 figures again?

20 THE WITNESS: From her current salary -- monthly
21 salary of \$3,795 per month to \$3,915.60 per month.

22 ADMINISTRATIVE LAW JUDGE: Was the employee retired at
23 the -- the time this was written?

24 THE WITNESS: She required back in 2015. Janua- --
25 January 2015.

1 ADMINISTRATIVE LAW JUDGE: And remind me the -- is
2 this the finding audit report?

3 THE WITNESS: Yes. This is the part -- the final
4 audit report.

5 ADMINISTRATIVE LAW JUDGE: And what was the date of
6 it?

7 THE WITNESS: I think it's from 2018, December.

8 ADMINISTRATIVE LAW JUDGE: Okay. So if she was
9 retired, why would you have thought that PERS wanted you
10 to increase her salary?

11 THE WITNESS: No. This was one of the -- no. Not
12 increase. But, basically, they were saying that the
13 employee salary that we paid on a salary schedule was not
14 correct, and it should have been calculated as \$3,915.60.

15 ADMINISTRATIVE LAW JUDGE: Give me a second. So -- so
16 you didn't understand that PERS was wanting you to
17 increase her salary. You understood that PERS was saying
18 that you should have paid her \$3,915; is that correct?

19 THE WITNESS: Yes.

20 ADMINISTRATIVE LAW JUDGE: And so, was the answer to
21 Mr. Morrison's question of, what did you think PERS wanted
22 the District to do?

23 THE WITNESS: It wasn't clear at the time exactly of
24 how they wanted us to handle this.

25 ADMINISTRATIVE LAW JUDGE: Thanks.

1 BY MR. MORRISON:

2 Q Ms. Nguyen, when PERS identifies an error as they
3 did in finding number 4, is it your understanding that
4 they want that error to be corrected?

5 A Yes.

6 Q Okay. And so if the error here was that
7 Ms. Pelleriti was underpaid, what understanding do you
8 have, if any, as to how CalPERS would expect that error to
9 be fixed?

10 A Just like it -- the other errors that we had --
11 had. There were a total of six of 'em. And so a lot of
12 'em, they wanted us to go back to -- way back to however
13 when the employee started to, you know, current year.

14 Q And -- and do what? Pay more money?

15 A Well, I'm -- I'm not sure at that point. It's
16 just, you know, what they're saying is all the others that
17 we had to go back and fix all of them. And then we report
18 that the errors -- correct the report to them. Send the
19 correct report to them.

20 Q All right. And when CalPERS identifies something
21 that they iden- -- as they described as an error in the
22 audit, is the expectation that you will fix that error
23 moving forward?

24 A No. Usually, it's always going back -- way back
25 and always, preferably, going back to, you know, when the

1 employee started.

2 Q Right. But I -- I guess my question is, if they
3 identify an error, are they expecting you to keep making
4 that error in future years or are they expecting you to
5 stop making the error and do things they way they're
6 telling you to do them in future years?

7 A Well, going back and fixing it, and also going
8 forward and making sure that the errors are also fixed.

9 Q Okay. So, here, they're saying the payrate was
10 underreported and should have been reported at a higher
11 level; correct?

12 A Yes.

13 Q Okay. So with this particular finding, did you
14 have an understanding as to whether they expected you to
15 fix it in the past and also make the -- bring the payrate
16 up to their level in the future?

17 A On -- on this particular one, I wasn't sure then.
18 We don't know -- 'cause there wa- -- no. I wasn't clear.

19 Q All right. When CalPERS identifies -- when --
20 when CalPERS issue a finding, and they use one employee as
21 an example, is it your understanding that the audit is
22 limited just to that one person or might it have an impact
23 on other employees in the same situation?

24 A It would also have impact on all the employees
25 that are in the same situation. Yes.

1 Q Okay. So moving forward into the future, is it
2 your -- did you have an understanding as to how CalPERS
3 wanted the pay rates to be reported? Did they want the
4 higher number to be reported or did they want the number
5 on your monthly salary schedule to be reported?

6 A Did they want the higher -- well, they want the
7 higher number to be reported, and they should also be on
8 the salary schedule.

9 Q Okay. So -- all right. So, if I understand,
10 what you're saying is you wanted -- is you understood
11 CalPERS to say that you should be reporting the higher
12 payrate that they identified, and that higher payrate
13 should also be the number that was on your monthly salary
14 schedule?

15 A Yes.

16 Q Okay. So the impact of that -- would the impact
17 of that be to increase compensation for employees on that
18 monthly salary schedule?

19 A Yes.

20 Q Okay. Was there a discussion of an alternative
21 to increasing the monthly salary schedule? For example,
22 decreasing the pay and the hourly salary schedule. Was
23 that ever contemplated?

24 A It was dis- -- it was discussing it either way
25 whether it would be a monthly or hourly. It was just as

1 long as, you know, basically using their calculation.

2 Q Okay. And when you say "either way," what do you
3 mean? Did you have a discussion with CalPERS about this
4 topic?

5 A It was that there were meet- -- meetings about
6 this exception and trying to figure out understanding what
7 PERS wanted to do. And so it's -- and we were not sure.
8 And so that -- and so it -- the idea was to either fix the
9 salary schedule to meet the -- CalPERS's calculation of
10 the -- you know, the -- using their method.

11 Q All right. And when you talk about fixing the
12 salary schedule using their method, are you talking about
13 increasing the monthly rate on the salary schedule -- in
14 this employee's example, it said \$3,915.60?

15 A Yes.

16 Q Okay. Did CalPERS identify an alternative to
17 increasing the monthly rate of pay?

18 A It was either the -- we have well, you know, the
19 hourly salary schedule and we have the monthly. So it's,
20 you know, either the monthly or the hourly.

21 Q Okay. And if you were to--

22 A That's --

23 Q Okay.

24 A Yeah. As long as it was just using their --
25 their, you know, method of, you know, the cal- -- how they

1 calculate it.

2 Q All right. So one option would be to increase
3 the monthly rate of pay. What -- what other options did
4 CalPERS present to you?

5 A Well, just -- just the hourly rate.

6 Q Okay. And would the hourly rate go up or down?

7 A It would have to go down.

8 Q Okay. So the alternatives CalPERS presented you
9 were to increase the monthly pay or decrease the hourly
10 pay?

11 A Right.

12 Q And -- and when -- when were those presented to
13 you, if you recall?

14 A It was during -- during our meetings with them at
15 the County office with county staff, the conference call,
16 sometime in January of 2019.

17 Q Okay. Now, what kinds of things do you do on a
18 regular basis to make sure that you are keeping up to date
19 on CalPERS laws, and CalPERS re- -- regulations, and other
20 CalPERS requirements?

21 A We have -- well, we have the County office, and
22 they email us all CalPERS or CalSTRS directives or
23 circulars of the changes from the -- those two pension
24 organizations. And we have district advisory every month.
25 And so they update all the changes, whether it be the

1 payroll system or it be, you know, a requirements, or
2 things that are new from CalPERS or CalSTRS.

3 Then we always go -- attend different workshops.
4 So, like, the school services of California or CASBO,
5 which tells us, you know, if there -- if there was any
6 kind of increases in, like, the employee contribution
7 rates or in -- anything that's new.

8 Q Okay. And through any of those sources, did it
9 ever come to your attention, prior to this audit, that
10 CalPERS was requiring use of 177.33 as a ratio for
11 determining employee pay rates?

12 A No.

13 Q Okay. You mentioned the Orange County Department
14 of Education. Is that the same thing as the -- the County
15 Office of Education for Orange County?

16 A Yes.

17 Q Okay. And would it be accurate to say that the
18 County Office of Education, the Orange County Department
19 of Education, is the office for the Orange County
20 Superintendent of Schools?

21 A Yes.

22 ADMINISTRATIVE LAW JUDGE: I'm sorry. What was the
23 question?

24 MR. MORRISON: I -- I was asking the witness if the
25 Orange County Superintendent of Schools is if -- is -- if

1 his office is otherwise known as the Orange County
2 Department of Education.

3 BY MR. MORRISON

4 Q Miss -- you can answer, Ms. Nguyen.

5 A Oh, yes.

6 MR. MORRISON: And just -- just one point, Your Honor.
7 The -- the County Superintendent Schools is often referred
8 to as the County Office of Education. Here it's -- it got
9 a little bit of a different name. I just wanted to
10 clarify what -- what agency we are talking about because
11 it's not always clear.

12 BY MR. MORRISON:

13 Q All right. So, Ms. Nguyen, what role does the
14 Orange County Department of Education, the office of the
15 County Superintendent of Schools, play with respect to --
16 to -- to the District reporting, you know, acco- --
17 what -- well, let me rephrase.

18 What -- what role does OCDE play with respect to
19 the District's involvement with CalPERS including
20 reporting all -- all the stuff that we mentioned?

21 A Well, the County office is -- is our oversight
22 agency for all the Orange County districts. And many of
23 us use their HR system, and we use their payroll system.
24 And so they would let us know of the schedule -- payroll
25 schedule, anything that's relating to the HR system, the

1 payroll system.

2 So they create all the coding for us, requirement
3 coding, the tax coding, any kind of retirement codings
4 that the -- pertains to CalPERS or CalSTRS on the system.
5 And -- and then they do the -- do the reporting to CalPERS
6 and CalSTRS monthly for each of our payroll on behalf of
7 all the districts.

8 Q Okay. And are they, essentially, acting as a
9 liaison between the District and CalPERS and CalSTRS?

10 A Yes. They -- they have a retirement unit, and
11 they have a compliance unit there that basically -- making
12 sure that they re- -- they have audit reports and -- that
13 they review on behalf of the districts and -- and just
14 to -- you know, kind of ma- -- helping districts to catch
15 any kind of errors that -- that -- that they can see from
16 their end -- to -- before they process the payroll.

17 Q Okay. And, at any point, did the Orange County
18 Department of Education inform Tustin Unified that you
19 were out of compliance with CalPERS requirements because
20 you weren't using this 173.33 calculation then?

21 A No.

22 MR. MORRISON: Okay. Let's turn, if we can, to -- and
23 miss -- again, if you can help me pull up Exhibit 8 --
24 District Exhibit 8. Okay. We're on page 110.

25 (Exhibit B-8 was displayed)

1 BY MR. MORRISON:

2 Q Ms. Nguyen, do you recognize this document?

3 A Yes.

4 Q And what is it?

5 A It's the pay assignment for Alane Pelri- --
6 Pelleriti on our -- from our HR system.

7 ADMINISTRATIVE LAW JUDGE: Counsel, will you tell me,
8 again, what this is -- what exhibit it is?

9 MR. MORRISON: I'm sorry. We are looking at District
10 Exhibit Number 8.

11 ADMINISTRATIVE LAW JUDGE: So that's B-8?

12 MR. MORRISON: Yes. Well, yes. And it starts on
13 page -- the Bates-stamping, it starts on page, I believe,
14 B109.

15 ADMINISTRATIVE LAW JUDGE: Okay. And how are they
16 described as?

17 MR. MORRISON: These are district pay assignment
18 information for employee Alane Pelleriti.

19 ADMINISTRATIVE LAW JUDGE: "Pay assignment," did you
20 say?

21 MR. MORRISON: Yes.

22 ADMINISTRATIVE LAW JUDGE: And would you spell her
23 name for me again?

24 MR. MORRISON: Yes. The employee's name is -- it's
25 towards the top of the document, Your Honor, but it's --

1 first name is A-L-A-N-E and the last name is
2 P-E-L-L-E-R-I-T-I.

3 ADMINISTRATIVE LAW JUDGE: All right. B-8 for
4 identification begins at CaseLines page B109. It is
5 district pay assignment information for Alane Pelleriti.

6 Thank you.

7 (Respondent's Exhibit B-8 was marked for
8 identification by the Administrative Law Judge.)

9 MR. MORRISON: Thank you.

10 BY MR. MORRISON:

11 Q Ms. Nguyen, do you recognize this document?

12 A Yes.

13 Q And what --

14 ADMINISTRATIVE LAW JUDGE: And it -- I'm -- I'm sorry.
15 Tell -- tell me what -- what CaseLines page you're at.

16 MR. MORRISON: I'm sorry. I'm looking at page B110.

17 ADMINISTRATIVE LAW JUDGE: Thank you.

18 BY MR. MORRISON:

19 Q Okay. Ms. Nguyen, do you recognize this
20 document?

21 A Yes.

22 Q Okay. And what is it?

23 A It's our pay assignment information for Alane
24 Periti- -- Pelleriti and in -- from our HR system.

25 Q Okay. And what year did this apply to?

1 A It's from 2012/13 school year.

2 Q All right. And from this document, can you tell
3 whether Ms. Pelleriti was employed on an hourly or a
4 monthly basis?

5 A She is a monthly employee.

6 Q Okay. Where do you see that?

7 A Can you scroll up a little bit 'cause I -- the --
8 it's -- okay. So on the left-hand side where it says "pay
9 period type," it's -- it says it's in monthly. So -- so
10 then what the system does, it would pull the monthly rate
11 into our payroll system.

12 ADMINISTRATIVE LAW JUDGE: Where do you see -- oh.
13 Pay period type. Give me a second, please.

14 THE WITNESS: Yeah. Towards bottom where it says
15 "summary, calculation position FTE."

16 MR. MORRISON: And, Your Honor, there's a -- there's a
17 green square on the Exhibit B. And if you look,
18 there's -- maybe just about a half inch above that, the
19 word "monthly" appears.

20 ADMINISTRATIVE LAW JUDGE: Yes. I see that.

21 BY MR. MORRISON:

22 Q Ms. Nguyen, is that -- is that the box you're
23 referring to?

24 A Yes.

25 Q The one that says "M" and then there's a dash,

1 and then it says "monthly," and then it looks like there's
2 a little down arrow?

3 A Yes.

4 Q Okay. All right. Is there anything else on this
5 form that indicates that Ms. Pelleriti was employed on a
6 monthly basis?

7 A Well -- well, basically, the salary schedule
8 placement, it says "CLMO," which is the -- the classified
9 monthly salary schedule.

10 Q And where do you see that?

11 A On top of -- where it says the "annual, monthly,
12 daily, hourly." And it's right below where it says actual
13 eight hour five hour -- five days a week, 40 hours --
14 40 hours a week.

15 Q Okay. So -- so there's a number of boxes in the
16 bottom right of the page. And just to the left of those
17 boxes, you -- the words "base" right below that "ACTL"
18 below that "extra comp," and below that "total." That's
19 the -- that's the area of the document you're looking at
20 right now?

21 A I'm looking at right above the an -- the annual.
22 And it says "salary schedule CLMO." And that identifies
23 the classified monthly employee salary schedule.

24 Q So CLMO means classified monthly salary schedule?

25 A Yes.

1 Q Okay. So this form is telling you that
2 Ms. Pelleriti is employed on a monthly basis, and she's
3 paid on the classified monthly salary schedule?

4 A Yes.

5 Q Okay. And it indicates column range 36, step F.
6 Is that where she's paid on the salary schedule?

7 A Yes.

8 Q Okay. Can you tell from this form whether
9 Ms. Pelleriti was employed on a full-time basis?

10 A Yes.

11 Q And where do you see that?

12 A So above the salary schedule, it has the section
13 where it says "calendar date." And right there under --
14 where it's highlighted, it says "actual." So it's eight
15 hours of -- per day, five days a week, 40 hours a week.
16 And it's 209 days. She's a ten-month employee.

17 Q Okay. The monthly amount below that, there's --
18 I believe that's a dollar figure, and that's \$3,795. Do
19 you see that?

20 A Yes.

21 Q Does that correlate with range 36, step F, of the
22 monthly employee salary schedule for the 12/13 school
23 year?

24 A Yes.

25 Q Okay. It's the exact same amount; correct?

1 A Yes.

2 Q Okay. All right. Let's go to the next page if
3 we can. All right. We're now looking at page B111. Is
4 this, essentially, the same thing just for the next school
5 year?

6 A Yes.

7 Q All right. And it looks like the monthly salary
8 amount has gone up. Is -- is -- why has that amount gone
9 up?

10 A Well, it's based upon the 2013/14 salary
11 schedule, so we must have had some -- an increase.

12 Q Okay. So -- so she got a pay increase as --
13 as -- did other employees on the salary schedule?

14 A Yes.

15 Q Okay. But everything else is the same?

16 A Yes.

17 Q Okay. Let's go to the next page if we can. All
18 right. Looks like this is for, let's see, for a portion
19 of the 2014-year, but all the -- all the data is,
20 essentially, the same as the prior page; correct?

21 A Not really. This one is -- is the up -- the
22 second half -- well, basically, starting on February on --
23 through the end of 2013/14 --

24 Q Okay.

25 A -- because she had a longevity increase for

1 the -- it's the same school year, 2013/14.

2 Q Okay. All right. So the longevity amount went
3 from -- is that the \$274 figure?

4 A Yes.

5 Q Okay. All right. But the -- the monthly -- the
6 monthly amount on the salary schedule for her would have
7 been -- is that the \$3,909 figure?

8 A Yes.

9 Q Okay. All right. Then going to the next page of
10 the exhibit if we can? We're on to -- we're moving on to
11 page B113.

12 Is this for the 2014/15 school year?

13 A Yes.

14 Q And it looks like the -- the -- the salary figure
15 has gone up to \$4,046. Is that the same number that would
16 be in column 36, step F, of the salary schedule for that
17 year?

18 A Yes.

19 Q Okay. It looks like the longevity figure is up
20 to \$284; is that correct?

21 A Yes.

22 Q All right. And ever -- did anything else change?

23 A Well, it ended January of 2015. I think that's
24 when she retired.

25 Q Okay. But up until her retirement, was she

1 employed as a mo- -- monthly employee working full-time
2 and paid on the classified month- -- monthly salary
3 schedule?

4 A Yes.

5 Q Okay.

6 ADMINISTRATIVE LAW JUDGE: So the longevity increased
7 to \$284. Is that what you said?

8 THE WITNESS: Yes. It went -- it went from -- from
9 the 2- -- the previous year, 2- -- 274, to 284.

10 ADMINISTRATIVE LAW JUDGE: Thank you.

11 MR. MORRISON: Your Honor, I'm going to move District
12 Exhibit 8 into evidence.

13 ADMINISTRATIVE LAW JUDGE: Objections to 8?

14 MR. GLAUBERMAN: No objection, Your Honor.

15 ADMINISTRATIVE LAW JUDGE: 8 is in.

16 (Respondent's Exhibit B-8 was received in
17 evidence by the Administrative Law Judge.)

18 MR. MORRISON: All right. I -- I may be done, Your
19 Honor. If you can just give me a minute here -- or so
20 here. I just want to double-check.

21 ADMINISTRATIVE LAW JUDGE: Take your time.

22 MR. MORRISON: Well, actually, has District Exhibit 1
23 been moved into evidence? I know we talked about it a
24 lot. I can't recall if we actually --

25 ADMINISTRATIVE LAW JUDGE: It's in evidence.

1 (Respondent's Exhibit 1 was received in evidence
2 by the Administrative Law Judge.)

3 MR. MORRISON: It is. Okay. All right.

4 All right. No further questions, Your Honor.

5 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman?

6 MR. GLAUBERMAN: Just a few, Your Honor.

7

8

CROSS-EXAMINATION

9 BY MR. GLAUBERMAN:

10 Q Ms. Nguyen, during your testimony, I want to make
11 sure I got -- I understood a few things. One, did you
12 state that CalPERS, one of their recommendations for
13 resolution was to reduce the payrate -- or not the
14 payrate, the hourly payrate to the end of the individual
15 as a result of the audit?

16 A During our meeting -- dur- -- during our meeting
17 it was, you know, it was discussion back-and-forth, and it
18 was just to -- just to meet with CalPERS's calculation the
19 way they're calculating. And so it was just either one or
20 the other. It doesn't matter. So it was just meeting the
21 CalPERS -- the 173.33 calculation or...

22 Q Okay. So one of the options -- your contention
23 is -- that was discussed was to reduce the hourly payrate
24 for the subject reporting?

25 A Yes. So it -- it -- in -- in order for the

1 monthly to stay where it is and the hour -- if -- to meet
2 that CalPERS's calculation, the reduction would be from
3 the hourly and vice versa.

4 Q Okay. Do you remember what that conversation
5 was?

6 ADMINISTRATIVE LAW JUDGE: Mister -- Mr. Glauberman.
7 The witness agreed with you, but I think your question
8 contained a mistake. One of the discussions you said
9 would have been to decrease the salary of the teacher --
10 or the employee we're talking about. Is that what you
11 meant?

12 MR. GLAUBERMAN: I -- I'm just trying to clarify. But
13 de -- decrease the hourly on the -- on the pay -- that's
14 been paid to the individual or something. I was just
15 trying to clarify the earlier testimony because it was
16 somewhat unclear to me.

17 ADMINISTRATIVE LAW JUDGE: Well, the -- the --
18 decreasing the hourly rate would not have any effect on
19 this woman's salary. She was monthly. Is that correct?

20 THE WITNESS: Is that for me?

21 Yes. Because she's -- she's -- she's on a
22 monthly salary schedule.

23 ADMINISTRATIVE LAW JUDGE: Go ahead, please.

24 MR. GLAUBERMAN: Thank you, Your Honor.

25 ///

1 BY MR. GLAUBERMAN:

2 Q So in what context was the decrease into the
3 hourly rate discussed?

4 A Was trying to align it along our calculation
5 in -- with CalPERS's calculation. So instead of us --

6 Q Okay.

7 A -- doing the -- do the 21-day, it's basically
8 using CalPERS's, you know, the -- their method of, you
9 know 21.667, 173.33, and all of that.

10 Q Okay. Prior to this audit, had you ever had a
11 chance to be familiar with the 21.67 base days in a month
12 versus the 21?

13 A Ye- -- yeah. So we -- as part of the -- when we
14 go -- do the training, that's what they were discussing,
15 that were the options. Yes.

16 Q What training are you talking about?

17 A The -- all the CASBO trainings, the County
18 discussion meetings, and all that. Yes.

19 Q Okay. There's been some discussion of separate
20 salary schedules for the District, hourly and then
21 monthly. Do you recall that?

22 A There's a separate salary schedule for the
23 District: Hourly and monthly. Okay. We do have a
24 separate salary schedule for district. Yes.

25 Q Okay. So why are there -- why is there -- there

1 an hourly schedule and then also a monthly salary
2 schedule? What's the difference between their use?

3 A One is used for our monthly employee that they
4 work a -- some set amount.

5 ADMINISTRATIVE LAW JUDGE: For what kind of employees?
6 What is it?

7 THE WITNESS: Their -- for our classified -- the
8 classified monthly employee who has basically a set amount
9 of hours. Like the eight hour, a full-time employee.
10 Whereas our hourly employees, they have to submit
11 timesheets, timecards, on the days that they work for us
12 so that way we can pay them.

13 So that's the distinguish between the two. If
14 the employee submits the timesheet of the exact day and
15 hours, then -- then we're paying them by the hour versus
16 the monthly.

17 BY MR. GLAUBERMAN:

18 Q So does that mean you're paying hourly and
19 monthly employees differently?

20 A Well, one is paid by the month. The one -- other
21 one's paid by the hour. Yes.

22 MR. GLAUBERMAN: Okay. I'm going to bring my screen
23 up real quick and direct you to exhibit -- CalPERS Exhibit
24 11, which begins on A357, and it's on A358. Give me a
25 second here.

1 (Exhibit A-11 was displayed)

2 BY MR. GLAUBERMAN:

3 Q Okay. And so this -- does this appear to be a --
4 a district salary schedule for the classified bargaining
5 unit employees from 2012 to '13?

6 A Yes.

7 Q Okay. And is there any way, just looking at this
8 first document, which looks like a list classifications
9 and steps, is there any way to tell if this is hourly or
10 monthly?

11 A No. It's -- it's always an attachment to --
12 there should be an attachment to this one.

13 Q I know. But I -- I understand that. But this
14 page, you can't tell?

15 A No. It's just -- it tells them what step you're
16 on.

17 Q Okay.

18 A Okay.

19 Q And so I'm going to scroll -- scroll down to the
20 next page. And it's also -- it's kind of the same thing.
21 It's a list of positions and steps. Is it -- that's more
22 or less correct?

23 A Yes.

24 Q Okay. And I think right here, we've got PE
25 equipment person and a Step 36. You see where I'm

1 highlighting (indicating)?

2 A Yes.

3 Q And that was the step that the -- the sampled
4 employee was in; correct?

5 A Yes.

6 Q Okay. And so the next page -- and I'm, for the
7 record, on A360. This is the salary schedule that is --
8 that accompanies those two previous sheets that list the
9 positions and steps; right?

10 A Right.

11 Q Okay. And so Step 36, here, is 22.58; is that
12 correct?

13 A Yes.

14 Q All right. So the PE position at Step 36 from
15 the previous page would be paid by this 2,258.75 salary
16 schedule?

17 A No. Not -- not -- She's not paid an hourly rate.
18 She's paid a monthly rate.

19 Q Okay. Gotcha. And so -- so you would go down to
20 the next page, A361, and Step 36, here, 3,795?

21 A Yes.

22 Q Okay. Are the monthly people allowed to work
23 overtime?

24 A Yes. There are times they do.

25 Q How does the District calculate their overtime

1 when they work overtime hours?

2 A We use the hourly rate to calculate their
3 overtime.

4 Q Okay. And so even -- does that mean that even
5 though the 3,795 is on this monthly pay schedule that
6 their ultimate base pay that their paid by is the hourly
7 rate?

8 A Yes.

9 MR. GLAUBERMAN: Give me one second. I don't know if
10 I have any more questions. Actually, one more thing. And
11 I'm going to bring up an email that Counsel sent me the
12 other day. So I -- I didn't see it in the exhibits, so I
13 apologize for that. Give me a second here. And we may
14 mark it and put it in depending on what the testimony is.
15 BY MR. GLAUBERMAN:

16 Q Ms. Nguyen, do you -- and is this showing up on
17 your screen? The --

18 A Yes.

19 Q -- email?

20 A Yes.

21 Q Do you recognize -- do you recognize this email?

22 A Yes.

23 Q And what -- what is this?

24 A E- -- email from Kevin Lau to myself and the --
25 the others. The County office and me.

1 Q Okay. Is -- I know stuff gets shrunken over
2 the -- the sharing of the screen and blurred -- blurry.
3 Are you able to, you know, recall what this email was
4 about?

5 A I believe it's -- it's the recommendation for --

6 Q Okay.

7 A -- us to -- I think there's an attachment of how
8 Kevin was recommending for us to do the calculation or
9 reporting to CalPERS.

10 Q Okay. So this was a follow-up email after a
11 phone call or meeting everybody had to discuss the audit?

12 A Can you scroll? The date -- I think -- yeah.
13 That's probably -- we had a lot of phone calls. Yeah. So
14 that -- this may -- yeah. We had a lot of phone calls and
15 meetings.

16 Q Okay. Gotcha. And so you -- you mentioned an
17 attachment. So I'm scrolling down.

18 A Mm-hmm.

19 Q I'm on the second page, which just a WebEx
20 invite, for the record. And the third page looks like
21 it's a 2016/17 classified bargaining unit employee's
22 sche- -- set salary schedule with steps and positions
23 listed. Do you see that?

24 A Yes.

25 Q So it -- so you guys we're looking at a different

1 position this time discussing how CalPERS wanted it
2 reported?

3 A Yes.

4 Q Okay. Do you know if this is the conversation or
5 meeting that you allege CalPERS discussed reducing pay
6 rates or hourly pay rates for reported emplo- -- hourly
7 employees?

8 A No. No. I think this was before that. This is
9 in May.

10 Q Okay. When was that meeting? Do you know?

11 A It wa- -- I think it was around the time of
12 January of 2019.

13 MR. GLAUBERMAN: Okay. I have no more questions for
14 this witness, Your Honor.

15 Thank you, Ms. Nguyen.

16 ADMINISTRATIVE LAW JUDGE: All right.

17 MR. MORRISON: I have a couple questions, Your Honor.

18 ADMINISTRATIVE LAW JUDGE: Mr. Morrison, redirect?

19 MR. MORRISON: Yeah. I'll ask Ms. Morenz to pull up
20 CalPERS Exhibit 11.

21 ADMINISTRATIVE LAW JUDGE: This is A-11?

22 MR. MORRISON: Yes. And I'm going to ask to go to
23 page A361.

24 ADMINISTRATIVE LAW JUDGE: Tell me again. A?

25 MR. MORRISON: A361.

1 ADMINISTRATIVE LAW JUDGE: Thank you.

2 (Exhibit A-11 was displayed)

3 MR. MORRISON: Okay. We can scroll up to the top just
4 real briefly.

5

6 REDIRECT EXAMINATION

7 BY MR. MORRISON:

8 Q All right. Ms. Nguyen, is this the classified
9 monthly salary schedule for the 12/13 year?

10 A Yes.

11 Q All right. And let's go down to Step 36. So
12 36F, the number that's showing is 3,795; correct?

13 A Yes.

14 Q All right. And in talking about the sampled
15 employee, Ms. Pelleriti, was she be- -- being paid \$3,795
16 for her full-time 40 hours a week assignment regardless of
17 the number of days in a given month?

18 A Yes.

19 Q Okay. So is this amount, this \$3,795 amount, is
20 that her base pay for her monthly assignment?

21 A Yes.

22 Q Okay. There was a question -- let's go to
23 that -- I think the proceeding page of this exhibit.
24 A360. And if we could just go to the very top of the
25 page. Is this the classified hourly schedule for the

1 12/13 year?

2 A Yes.

3 Q Okay. And let's scroll down to range 36, if we
4 can. So 36F towards the far right is denom'd as \$22.58
5 and some change; correct?

6 A Right. Yes.

7 Q All right. And there's a question about this
8 being the base pay. My question for you is, what was this
9 amount used for with respect to Ms. Pelleriti? This
10 \$22.58 amount.

11 A If she was to -- to work overtime, extra hours,
12 or if there was any kind of docking, then we would base
13 the -- if -- if there was any hour docking, then we would
14 use the hourly rate to dock.

15 MR. MORRISON: All right. All right. Thank you very
16 much. No further questions.

17 ADMINISTRATIVE LAW JUDGE: Thank you, Ms. Nguyen.

18 Mr. Morrison?

19 MR. MORRISON: There's a number of exhibits that I
20 would like to -- I -- I think maybe now is a good time,
21 if -- if that works for Your Honor, to go through some of
22 the exhibits and see if we can get those into evidence.
23 They're essentially exhibits that we're asking that you
24 take judicial -- or official notice. And I think -- I
25 think most of them are uncontroversial. There's a couple

1 where I think we may need to have some discussion.

2 ADMINISTRATIVE LAW JUDGE: All right. Shall we start
3 with Exhibit B-2?

4 MR. MORRISON: No. I'm ac- -- I'm, actually, I -- I
5 think B-2, 4, 5, and 6 are already -- already in evidence
6 as CalPERS exhibits, so I'm not going to worry about
7 those.

8 ADMINISTRATIVE LAW JUDGE: I'm sorry. I -- I'm sorry.
9 B-2, 4, 5, those are your exhibits. Are you withdrawing
10 them?

11 MR. MORRISON: Yes.

12 ADMINISTRATIVE LAW JUDGE: So B2 is withdrawn.

13 MR. MORRISON: Yeah. Your -- Your Honor, I think 2
14 through 6 are already in evidence, and I'll withdraw
15 those.

16 ADMINISTRATIVE LAW JUDGE: Okay. B-7?

17 MR. MORRISON: B-7, the portion that we are concerned
18 about is already in evidence as a CalPERS exhibit, so I
19 will withdraw Exhibit 7.

20 ADMINISTRATIVE LAW JUDGE: Okay. That leads us to
21 B-13.

22 MR. MORRISON: I will withdraw 13 and 14.

23 ADMINISTRATIVE LAW JUDGE: Okay.

24 MR. MORRISON: All right. 15 through 20 -- and I can
25 address these individually, if you would like -- are

1 either current copies of government code or California
2 Code of Regulation sections or historic copies from points
3 in the past that are indicated on the documents. They're
4 listed in our request for official notice.

5 I believe Mr. Glauberman is -- is willing to
6 admit 15 through 20. I mean, I may be wrong. But --
7 well, actually, I will make a point on not speaking for
8 Mr. Glauberman.

9 MR. GLAUBERMAN: For the most part, I don't have
10 issues with any of them. I don't see the relevance of
11 some of them. I think Counsel sent email kind of
12 explaining his angle on introducing them from a regulatory
13 and legislative standpoint for CalPERS and CalSTRS. But
14 at the same time --

15 MR. MORRISON: That's -- that's not -- that's not 15
16 through 20. We're not there yet.

17 MR. GLAUBERMAN: Oh, okay. Sorry.

18 MR. MORRISON: 15 through 20 are just Government
19 Code -- California Code of Regulation, current and former,
20 kind of a mix current and former statute of regulation.
21 And -- and they're all -- applies to CalPERS exhibit to
22 some extent.

23 ADMINISTRATIVE LAW JUDGE: All right. Why don't you
24 tell me what they are.

25 MR. MORRISON: All right. Exhibit 15 is current

1 versions of California Government Code. Exhibit 16 is --

2 ADMINISTRATIVE LAW JUDGE: Well, I'm sorry. What
3 sections of the California Government Code?

4 MR. MORRISON: Well, again, give me a second here.
5 I'd probably be better off going to CaseLine. Okay.
6 Exhibit 15 starts on page B310, and it has Government
7 Code 20636.1.

8 ADMINISTRATIVE LAW JUDGE: Tell me again.

9 MR. MORRISON: Sorry. 20636.1. It also has 20962.
10 It also has 20966. It also has 21221, and it has 3543.2.

11 ADMINISTRATIVE LAW JUDGE: These are all Government
12 Code?

13 MR. MORRISON: Correct.

14 ADMINISTRATIVE LAW JUDGE: You know, there really is
15 no reason to make these exhibits. I mean, if you will
16 tell me what you want me to take official notice of, I'll
17 take official notice of anything that's in the codes.

18 MR. MORRISON: Your Honor, we were hoping to -- I --
19 I -- I -- I understand that there were some older
20 versions.

21 ADMINISTRATIVE LAW JUDGE: I was just starting to say.
22 If you have some older versions of things, we probably
23 should make those exhibits. Those -- sometimes, they're
24 difficult for me to find.

25 MR. MORRISON: Yeah. Exhibit 15 is current versions

1 of the code. I do understand we can simply cite to those.
2 I -- I included those kind of as a reference so -- because
3 we're always asking you to take notice of some older
4 versions of the code. And I was hoping to elucidate the
5 relevance of those in our -- in our brief.

6 ADMINISTRATIVE LAW JUDGE: Okay.

7 MR. MORRISON: All right. Exhibit 16, then, which
8 starts on page B321, has a prior version of Government
9 Code 20636.1.

10 ADMINISTRATIVE LAW JUDGE: 20- -- okay. Same as
11 above?

12 MR. MORRISON: Yes. 20636.1.

13 ADMINISTRATIVE LAW JUDGE: Give me a second. All
14 right.

15 MR. MORRISON: A prior version of 20962. Okay. A
16 prior version of 20966, prior version of 21221, and prior
17 version of 3543.2. These are intended to capture what the
18 law said in that 12/13 year, which was the subject of the
19 audit.

20 ADMINISTRATIVE LAW JUDGE: So those were current in
21 12 -- 15 -- in what year?

22 MR. MORRISON: In 12/13.

23 ADMINISTRATIVE LAW JUDGE: You mean 2013?

24 MR. MORRISON: I'm sorry. 2012/2013.

25 ADMINISTRATIVE LAW JUDGE: All right.

1 MR. MORRISON: Exhibit 17, I believe goes potentially
2 a little further back. And includes historic versions of
3 the Government Code including sections 20636.1, 20962,
4 20966, 21221, and 3543.2.

5 All right. Exhibit 18, which starts on B346, has
6 some current versions or some current text from the
7 California Code of Regulations.

8 ADMINISTRATIVE LAW JUDGE: Is this 18?

9 MR. MORRISON: 18. 1-8. Started on page --

10 ADMINISTRATIVE LAW JUDGE: Okay.

11 MR. MORRISON: Starting on page B346.

12 ADMINISTRATIVE LAW JUDGE: Okay.

13 MR. MORRISON: And that includes --

14 ADMINISTRATIVE LAW JUDGE: What type of -- we looking
15 at?

16 MR. MORRISON: We're looking at regulations from
17 Title 2 of the California Code of Regulations.

18 ADMINISTRATIVE LAW JUDGE: Thanks.

19 MR. MORRISON: Including Sections 599.670,
20 Section 171.1, and Section 570.5.

21 Then Exhibit 19 has an older version of some of
22 those. It -- Exhibit 19 starts on page B352. It has an
23 historic version of Title 2 California Code of Regulations
24 Section 171.1 and Section 570.5.

25 And then I think the last in this series is

1 Exhibit 20, which starts on page B356, and also has an
2 historic version of Title 2 of California Code of
3 Regulations Section 171.1.

4 And we would request that judic- -- sorry -- that
5 official notice -- actually, and, sorry. One more thing.
6 In Exhibit 20, there's also -- let me make sure -- right
7 thing. There is also an historic version of Title 2,
8 Section 570.5. And so I would request that official
9 notice be taken of Exhibits 15 through 20.

10 ADMINISTRATIVE LAW JUDGE: Well, I will take official
11 notice of old ones. And Exhibit B-16, B-17, B-19, and
12 B-20 are in evidence. Those are the ones that contain
13 prior versions. I have no reason for the current versions
14 to be in evidence.

15 (Respondent's Exhibits B-16, 17, 19, and 20 were
16 marked for identification and received in evidence by
17 the Administrative Law Judge.)

18 MR. MORRISON: Your Honor, if I may, if there is some
19 litigation down the road where -- well, all right. Never
20 mind. I'm -- I'm -- I think we're good. I think we're
21 good. Okay. Exhibit 25 is the next one I would like to
22 take a look at.

23 ADMINISTRATIVE LAW JUDGE: What happened to 21 to 24?

24 MR. MORRISON: I think we're going to deal -- we --
25 we -- I don't -- I don't think we need to get into that.

1 There was -- it's -- it's about discovery we don't have.
2 I don't think we have an issue. We're going to -- we're
3 going to discuss it -- that relates to discovery. So we
4 decided to dispense with that.

5 ADMINISTRATIVE LAW JUDGE: Are you withdrawing it?

6 MR. MORRISON: Yeah. I will withdraw 21 through 24.

7 Okay. The next one then is Exhibit 25, which
8 starts on page B377. And this exhibit simply consists of
9 calendars for the 2012 calendar year and subsequent
10 calendar years. It shows the number of -- of work days or
11 potential work days in each of those calendar years. I
12 think it's relevant to the -- the -- the -- the 173.33
13 formula.

14 ADMINISTRATIVE LAW JUDGE: All right. I will take
15 official notice of those.

16 MR. MORRISON: All right. Exhibit 26, there was some
17 testimony on that. I don't know that we need it.

18 Mr. Glauberman, do you want to have 26 in
19 evidence?

20 MR. GLAUBERMAN: I don't think we need it.

21 MR. MORRISON: All right.

22 ADMINISTRATIVE LAW JUDGE: 26 is withdrawn.

23 MR. MORRISON: Okay. 27 and 28 are -- are kind of a
24 group. Starting with 27 -- Your Honor, maybe if I could
25 describe them briefly. I -- I -- I did understand

1 Mr. Glauberman at one point to have a concern and maybe he
2 doesn't. But 27 and 28 involve -- include a precedential
3 decision from the California State Teachers Retirement
4 System.

5 Their audits are litigated the same as CalPERS's
6 audits are. They are both, you know, significant, public
7 waiver retirement systems that -- that apply to the school
8 districts. And there's a particular issue that was
9 litigated before CalPER- -- CalSTRS that involved
10 essentially, underground regulations that CalSTRS
11 withdrew.

12 And we believe that those are relevant in
13 describing the risks that the District would face, you
14 know, in -- in, sort of, complying with what we see as
15 underground regulations being imposed by CalPERS. And so
16 I would just ask Your Honor to take judicial notice or
17 official notice of a CalSTRS precedential decision and a
18 CalSTRS publication that provides a little background
19 clarification relating to the facts in that case.

20 So the background information is in Exhibit 27,
21 which starts at page B393, and it is, essentially, minutes
22 of a Teachers Retirement Board regular meeting for the
23 California State Teachers Retirement System.

24 And the next document, Exhibit 28, is a -- which
25 starts on page B398, is a precedential decision issued

1 before the Teachers Retirement Board in the State
2 California. It appears to have been issued on
3 December 5th, 2019, and there is an OAH notice of decision
4 and order in the same case. And there is an OAH proposed
5 decision in the same case. And we would move 27 and 28
6 into evidence.

7 ADMINISTRATIVE LAW JUDGE: So B-28 is saying that --
8 things the precedential decision by what body?

9 MR. MORRISON: Cal- -- it's by the California State
10 Teachers Retirement System. They have a similar setup
11 where the hearings are conducted by Office of
12 Administrative Hearings and then it goes upon appeal to
13 the State Teachers Retirement Board.

14 ADMINISTRATIVE LAW JUDGE: Yes.

15 MR. MORRISON: And they can designate certain
16 decisions as precedential. And they have done so in -- in
17 this particular case.

18 ADMINISTRATIVE LAW JUDGE: All right. Now, what does
19 B-28 tell me?

20 MR. MORRISON: The situation that -- that -- that was
21 addressed in B-28 is for many years, the California State
22 Teachers Retirement System provided written guidance to
23 school districts as to how they needed to report
24 compensation and like information. And this publication
25 was not adopted as a statute or regulation, but it was

1 issued, and it was enforced for many years until it
2 wasn't.

3 And what happened is CalSTRS essentially said,
4 "We're withdrawing this. It's not binding." And if any
5 school districts followed what we said, if -- if you
6 actually reported things the way that CalSTRS was telling
7 you, you are potentially subject to audit because the --
8 the underlying requirement that applies to school
9 districts is to follow the statutes, follow the
10 regulations. And if we, CalSTRS, are telling you to do
11 something different, then you follow that guidance at your
12 own risk.

13 ADMINISTRATIVE LAW JUDGE: All right.

14 MR. MORRISON: And it's -- it's -- we think there's
15 some significant parallels to what CalPERS is telling the
16 District to do here, and that's putting the District at --
17 at similar risk --

18 ADMINISTRATIVE LAW JUDGE: All right.

19 MR. MORRISON: -- and to violate that risk.

20 ADMINISTRATIVE LAW JUDGE: So I will take official
21 notice of B27 and B28.

22 MR. MORRISON: All right. There's just one more
23 exhibit -- I see. Let me first -- okay. Maybe -- maybe
24 two. Exhibit 29 -- no. I'm sorry. I take that back.
25 Hold on a second here, Your Honor. I'm sorry.

1 B-29 is simply our exhibit list. I don't think
2 we need to enter that as an exhibit. B-30 is where I will
3 go next. B-30 starts on page B428. And that is our
4 request for official notice. I -- I don't know that we
5 actually need that as an exhibit either. That's been
6 filed.

7 There's -- there is one other document in --
8 Ms. Morenz, maybe you can assist me here. I'm
9 looking for our notice of defense. And I am --

10 ADMINISTRATIVE LAW JUDGE: I have the notice of
11 defense.

12 MR. MORRISON: I would like that to be an exhibit.

13 MS. MORENZ: Yeah. That didn't get added to our index
14 B, but it is in here just below index B. It also has
15 index A. Do you want me to share?

16 ADMINISTRATIVE LAW JUDGE: No. It -- has it been
17 marked as one of your exhibits?

18 MS. MORENZ: It's marked as Exhibit 29. But we
19 haven't admitted it into evidence.

20 ADMINISTRATIVE LAW JUDGE: I thought your Exhibit 29
21 was your exhibit list?

22 MR. MORRISON: Yeah. That's what I'm seeing. Let
23 me -- let me -- let me refresh CaseLines and see if --
24 if -- if it's probably -- (inaudible).

25 MR. GLAUBERMAN: I have it immediately following

1 Exhibit 30, the request for official notice, there's new
2 pagination, A-1, Notice of Defense. That's where I have
3 it.

4 MR. MORRISON: Yeah. That's where I'm seeing it as
5 well.

6 ADMINISTRATIVE LAW JUDGE: So -- so -- so are we
7 numberings [sic] of B -- B-31?

8 MR. MORRISON: Yeah. If we can. And I don't know if
9 we might need to take a couple minutes to do that. Is
10 it -- well --

11 ADMINISTRATIVE LAW JUDGE: Well, if you -- if you can
12 upload it, we'll take a couple minutes and let you do
13 that. And then we'll have it.

14 MR. MORRISON: Yeah.

15 MS. MORENZ: Okay.

16 MR. MORRISON: I think -- I think that's the last
17 thing that we're looking to do before we wrap up. And are
18 we expecting any additional witnesses at this point or --
19 or --

20 ADMINISTRATIVE LAW JUDGE: I don't know. Are we --
21 are you going to have rebuttal evidence, Mr. Glauberman.

22 MR. GLAUBERMAN: Very briefly. Like a ma- -- less
23 than fiver questions, I think.

24 MR. MORRISON: Okay. All right.

25 MR. GLAUBERMAN: Hopefully just one.

1 ADMINISTRATIVE LAW JUDGE: If you get the answer you
2 want.

3 MR. GLAUBERMAN: Correct.

4 ADMINISTRATIVE LAW JUDGE: And if I don't interrupt.

5 MR. MORRISON: Your Honor, I -- I think it will take a
6 couple minutes to get CaseLines whipped into shape. Would
7 it be okay to take about a five-minute break right now?

8 ADMINISTRATIVE LAW JUDGE: Yes.

9 MR. GLAUBERMAN: While --

10 ADMINISTRATIVE LAW JUDGE: If it's -- yeah.

11 MR. GLAUBERMAN: While we're on this, I -- I think
12 that CalPERS uploaded Exhibits 21 and 22 earlier to
13 CaseLines, which are the -- the CalPERS request for
14 official notice, Your Honor. And then in addition to that
15 is the amended statement of issues as discussed
16 previously.

17 ADMINISTRATIVE LAW JUDGE: See here. So you had an
18 Exhibit 21?

19 MR. GLAUBERMAN: We added 21, and that's our request
20 for official notice, and that begins on A480. That's the
21 pleading.

22 ADMINISTRATIVE LAW JUDGE: A480?

23 MR. GLAUBERMAN: Yes, Your Honor.

24 ADMINISTRATIVE LAW JUDGE: And that's your request for
25 official notice?

1 MR. GLAUBERMAN: Yes, Your Honor.

2 ADMINISTRATIVE LAW JUDGE: And does that list the
3 items you're wanting official notice of?

4 MR. GLAUBERMAN: Yes, Your Honor.

5 ADMINISTRATIVE LAW JUDGE: Do we need go through them
6 or not?

7 MR. GLAUBERMAN: I -- I don't think we do. They're
8 all attached with it unless Counsel would prefer I go
9 through them. It's -- it's -- some of it's the
10 legislative history behind 20636.1 and CalPERS Board
11 agenda items in support -- or agenda item in support of
12 23636.1 when it was passed in 2000.

13 MR. MORRISON: I don't have an objection, Your Honor.

14 ADMINISTRATIVE LAW JUDGE: All right. Exhibit 20 --
15 Exhibit A-21 is in evidence.

16 (Department's Exhibit A-21 was marked for
17 identification and received in evidence by the
18 Administrative Law Judge.)

19 MR. GLAUBERMAN: Thank you, Your Honor.

20 ADMINISTRATIVE LAW JUDGE: And then --

21 MR. GLAUBERMAN: And pa- --

22 ADMINISTRATIVE LAW JUDGE: Then --

23 MR. GLAUBERMAN: A-22 is the amended statement of
24 issues.

25 ADMINISTRATIVE LAW JUDGE: Oh, okay. And is that in

1 CaseLines?

2 MR. GLAUBERMAN: Yes, Your Honor. 501 -- A501 to
3 A513.

4 MR. MORRISON: And if I may inquire, I -- is the only
5 difference between this and the original statement of
6 issues that you are correctly citing to the current text
7 of 206.36.1(b)1?

8 MR. GLAUBERMAN: That is correct. And I also added C
9 regarding special comps just because even though it wasn't
10 in the audit finding, it's at issue, it was talked about.
11 So I included that when -- when I amended it -- when we
12 amended it this past week.

13 MR. MORRISON: Okay. We -- with that representation,
14 I have no objection to Exhibit 22.

15 ADMINISTRATIVE LAW JUDGE: A-22 is in evidence.

16 (Department's Exhibit A-22 was marked for
17 identification and received in evidence by the
18 Administrative Law Judge.)

19 MR. MORRISON: All right. I'm going to go back, if I
20 may, Your Honor. I --

21 ADMINISTRATIVE LAW JUDGE: Let -- let -- let me --
22 while we're on it, let me finish with the PERS exhibits
23 here. And then we'll check-in to whether you've uploaded
24 your last exhibit.

25 On my exhibit list, which is a mess, not mine

1 that I'm making. The one that I printed out a few days
2 ago. There is a PERS Exhibit 1 that shows up as 16
3 through A28. Do you know what that is?

4 MR. GLAUBERMAN: That is -- let me see here. I
5 believe that's our initial statement of issues, Your
6 Honor.

7 ADMINISTRATIVE LAW JUDGE: Oh. Do you want that to be
8 in evidence?

9 MR. GLAUBERMAN: I think it's appropriate. Yes.

10 ADMINISTRATIVE LAW JUDGE: Objections to Exhibit A-1?

11 MR. MORRISON: No objection.

12 ADMINISTRATIVE LAW JUDGE: That's in evidence. And
13 then there's an Exhibit A-2, which shows up as CaseLines
14 pages A29 through 34.

15 (Department's Exhibit A-1 was marked for
16 identification and received in evidence by the
17 Administrative Law Judge.)

18 MR. GLAUBERMAN: That's the notice of hearing and
19 proof of service of the statement of issues and, of
20 course, the notice of hearing.

21 ADMINISTRATIVE LAW JUDGE: Objections to A-2?

22 MR. MORRISON: None, Your Honor.

23 ADMINISTRATIVE LAW JUDGE: That's in evidence.

24 Then there are some things before that that don't
25 have exhibit numbers. There's a Bates -- I mean, there is

1 a CaseLines page number A182 which says it's a "request
2 for official notice update."

3 (Department's Exhibit A-2 was marked for
4 identification and received in evidence by the
5 Administrative Law Judge.)

6 MR. GLAUBERMAN: Yes, Your Honor. That is the
7 official notice that was separated when I uploaded it. So
8 we re-uploaded it today. So this can be effectively
9 withdrawn because it's the pleading that goes with A- --
10 let's see here -- 20 -- A-21.

11 ADMINISTRATIVE LAW JUDGE: And page A3 also doesn't
12 have an exhibit number assigned to it. And it says it's
13 an exhibits [sic] list.

14 MR. GLAUBERMAN: This is just CalPERS's exhibit list,
15 Your Honor.

16 ADMINISTRATIVE LAW JUDGE: That be withdrawn?

17 MR. GLAUBERMAN: Sure.

18 ADMINISTRATIVE LAW JUDGE: And then there is CaseLines
19 page A4 through 15. Signed item.

20 MR. GLAUBERMAN: Yes, Your Honor. That is -- would
21 have been one of the attachments to the initially uploaded
22 request for official notice. So that can be withdrawn
23 because it's in A-21.

24 ADMINISTRATIVE LAW JUDGE: Okay. So then Exhibit 10
25 was withdrawn because it's a duplicate. And so your

1 Exhibits A1 through A22 are all in evidence except for
2 that A10 that was withdrawn.

3 All right. So now let's get back to yours,
4 Mr. Morrison.

5 MR. MORRISON: Thank you, Your Honor. All right. We
6 go to -- I -- I will go ahead and ask that our request for
7 official notice, which is Exhibit 30, be entered into
8 evidence. It starts at page B428.

9 ADMINISTRATIVE LAW JUDGE: You told me that that was
10 withdrawn. You're changing your mind?

11 MR. MORRISON: I -- I am. I -- I wanted to match
12 Mr. Glauberman in terms of having both of ours. I
13 apologize for the confusion.

14 ADMINISTRATIVE LAW JUDGE: Objections, Mr. Glauberman?

15 MR. GLAUBERMAN: I -- I don't believe so. No.

16 ADMINISTRATIVE LAW JUDGE: B- -- B-30 is in evidence.

17 (Respondent's Exhibit B-30 was marked for
18 identification and received in evidence by the
19 Administrative Law Judge.)

20 MR. MORRISON: All right. And then I believe the last
21 one is B-31, which starts on page B462. And that is our
22 notice of defense.

23 ADMINISTRATIVE LAW JUDGE: Objections to B-31?

24 MR. GLAUBERMAN: No objection.

25 ADMINISTRATIVE LAW JUDGE: That's in evidence.

1 All right. What else? Further evidence,
2 Mr. Morrison?

3 (Respondent's Exhibit B-31 was marked for
4 identification and received in evidence by the
5 Administrative Law Judge.)

6 MR. MORRISON: No, Your Honor.

7 ADMINISTRATIVE LAW JUDGE: Further evidence,
8 Mr. Glauberman?

9 MR. GLAUBERMAN: Briefly, Your Honor, CalPERS would
10 like to recall Kevin Lau for brief rebuttal.

11 ADMINISTRATIVE LAW JUDGE: All right. Let's -- let's
12 take our afternoon break before you do that. We ask you
13 to return in ten minutes.

14 (Pause in the proceedings)

15 ADMINISTRATIVE LAW JUDGE: Back on the record, please.

16 Mr. Glauberman, you were recalling Mr. Lau; is
17 that correct?

18 MR. GLAUBERMAN: Yes. Thank you, Your Honor.

19 ADMINISTRATIVE LAW JUDGE: Go ahead, please.

20 MR. GLAUBERMAN: Thank you.

21
22 KEVIN LAU,
23 recalled as a witness, and having been previously duly
24 sworn by the Administrative Law Judge, was examined and
25 testified as follows:

1 FURTHER REDIRECT EXAMINATION

2 BY MR. GLAUBERMAN:

3 Q Mr. Lau, were you a party to audit resolution
4 discussions with the District?

5 A Yes, I was.

6 Q In what capacity were you involved?

7 A I believe at the time I was the manager over
8 Samuel Camacho directly, but I was pretty involved with,
9 you know, handling resolution. Usually, in most typical
10 a- -- audit resolution, a manager is present.

11 Q With regards to the audit finding number 4 that's
12 at issue, do you recall what resolutions were discussed
13 between CalPERS and the District?

14 A To the best of my recollection, it is either
15 reporting in -- in this particular scenario for the
16 member, it's the \$3,915.60 monthly payrate or the, you
17 know, \$22.59 hourly payrate.

18 Q To the best of your rele- -- recollection, did
19 CalPERS ever suggest reducing hourly pay rates for the
20 hourly individuals for the District?

21 A No. We did help and try to explain for an
22 understanding why it is perceived as CalPERS, you know,
23 asking them to report a lower hourly payrate. And I could
24 explain if you'd like.

25 Q No.

1 MR. GLAUBERMAN: I -- I have no -- I have no further
2 questions.

3 ADMINISTRATIVE LAW JUDGE: Well, I -- let's back up a
4 minute here. So the discussions included either reporting
5 what?

6 THE WITNESS: Reporting -- my apologies. Reporting
7 the monthly payrate, which is based on the 40-hour
8 equivalent for this example. That is at the \$3,915.60 per
9 month.

10 ADMINISTRATIVE LAW JUDGE: Tell me the figure again.
11 3,900.

12 THE WITNESS: \$3,915.60.

13 ADMINISTRATIVE LAW JUDGE: And that was the figure
14 CalPERS concluded should have been reported; is that
15 right?

16 THE WITNESS: Correct. That is based on the payrate
17 that should have been reported.

18 ADMINISTRATIVE LAW JUDGE: Or --

19 THE WITNESS: Some --

20 ADMINISTRATIVE LAW JUDGE: Yeah.

21 THE WITNESS: Yes. Before the secondary hourly
22 payrate, which is the \$22.59.

23 ADMINISTRATIVE LAW JUDGE: And your position is that
24 each of those alternatives involves reporting, and you
25 were not directing them to make any change in what they

1 paid people; is that right?

2 THE WITNESS: That is correct, Your Honor.

3 ADMINISTRATIVE LAW JUDGE: Mr. Morrison,
4 cross-examination?

5 MR. MORRISON: Yes. Thank you, Your Honor.

6

7 FURTHER RECROSS-EXAMINATION

8 BY MR. MORRISON:

9 Q All right. So Mr. Lau, in finding 4 of the
10 audit, Wayne Pelleriti's (phonetic) information was
11 sampled; correct?

12 A Yes, sir.

13 Q All right. You were looking, specifically, at
14 her as, essentially, an example; correct?

15 A Correct.

16 Q Okay. So the audit does say that the District
17 needs to report a higher payrate for Ms. Pelleriti. Yes?

18 A Yes. If the District choosed [sic] to report
19 based on a monthly basis. Correct.

20 Q But it would also be CalPERS's expectation that
21 the District would be making similar changes for other
22 similarly situated employees; correct?

23 A Correct. Within an audit, we'll always ask for
24 an impacted members list within -- from the scope period
25 at the very minimum.

1 Q Okay. So this finding would impact not only
2 Ms. Pelleriti but other similarly situated employees
3 District-wide?

4 A That is correct.

5 Q Okay. Which would essentially include all of the
6 District's classified monthly employees; correct?

7 A Potentially.

8 Q And part of that resolution could be to report a
9 higher payrate; correct? A higher-ended --

10 A In this instance --

11 Q -- payrate.

12 (Simultaneous crosstalk interrupted by the
13 Stenographer)

14 THE STENOGRAPHER: One at a time, please.

15 THE WITNESS: -- payrate based on a 40-hour --

16 MR. MORRISON: I'll -- I'll -- I'll re-ask the
17 question.

18 BY MR. MORRISON:

19 Q Part of the resolution could be to report for --
20 the District to simply agree to report a higher monthly
21 payrate for all of its classified monthly employees;
22 correct?

23 A That is correct based on a 40-hour equivalent of
24 the hourly rate.

25 Q But what if the District dropped its hourly

1 compensation amounts such that they were exactly \$173.33
2 of the amounts indicated on the monthly salary schedule?
3 Would that also have satisfied CalPERS's concerns moving
4 forward?

5 A No. I believe the -- during my -- my
6 recollection in explaining the situation is that I know we
7 were talking about the \$173.33. I -- based on the phone
8 call, it appears the District's understanding was,
9 initially, taking the already converted payrate, which is
10 the \$3,795, taking that, dividing it by 177.33. Hence,
11 coming up with, you know, a different hourly rate then on
12 the salary schedule.

13 Whereas CalPERS's direction was, initially, to
14 ask, okay. We -- we, technically, don't care how you guys
15 convert. However, what is the true hourly rate of pay?
16 As confirmed, that is also the pay to calculate dock for
17 overtime. We're simply asking that -- taking that hourly
18 payrate, converting it at 173.33 to get the monthly
19 equivalent. Therefore, it's -- it's not -- it's not an
20 accurate statement.

21 ADMINISTRATIVE LAW JUDGE: It's not what?

22 THE WITNESS: It's not accurate based on telling, you
23 know, we telling how to divide and come up with a new
24 hourly rate.

25 ///

1 BY MR. MORRISON:

2 Q Mr. Lau, part of the audit is telling the
3 District how to report its payrate on -- on -- into the
4 indefinite future; correct?

5 A That is correct.

6 Q Okay. And the way that -- according to your
7 calculation, CalPERS's calculations, the correct way to
8 calculate monthly payrate in an accurate way is to start
9 with an hourly rate and multiply that hourly rate by
10 173.33; correct?

11 A Correct.

12 Q All right. So if the hourly rate -- whatever the
13 current hourly rate is, if the District were to drop that
14 hourly rate down a little bit, reduce it, when you get
15 around to making that multiplication, you will then have a
16 reduced payrate for the monthly employees; correct?

17 A In a sense. But --

18 Q Okay. So when we --

19 A -- if I may clarify.

20 Q Well, yes, but, in that way, the District could
21 reduce it's hourly rate moving forward and have the
22 monthly payrate essentially being level with where it is
23 right now. Yes?

24 A Not precisely. So if the District were to lower
25 the hourly payrate, you're changing the way how the

1 District is paying the employee. No matter what the cause
2 is right now, the member is being paid \$22.59. Nothing
3 more. Nothing less per hour. So reducing that payrate,
4 per your question, it's asking, you know, to reduce
5 someone's salary. We're not looking to reduce someone's
6 salary or earnings but, purely, on a payrate reporting
7 perspective.

8 Q Right. But I'm not -- the District could
9 negotiate a lower hourly payrate on its own with its
10 employees. Yes?

11 A That is correct.

12 Q And if we did that, that would -- and we could
13 actually do that in a way where the hourly payrate became
14 exactly 173.33 at the current monthly payrate. That's a
15 possibility. Yes?

16 A That is a possibility assuming the member does
17 work 40 hours per week over 52 weeks as an example.

18 Q And if the District did that, the District could
19 continue to report it's monthly payrate, and then
20 essentially the same amounts as they're reporting now,
21 they would just have a lower payrate for the hourly
22 employees; correct?

23 A If I can clarify before answering. Does this
24 change any number of days or hours worked for the member?

25 Q No.

1 A If -- if it doesn't change the amount of hours or
2 days worked, lowering the payrate, it's still, you know,
3 perpendicular to, you know, this issue here. The member
4 still worked 209 days over eight hours. So if you do end
5 up converting, you know, whatever the -- the true base pay
6 that you will negotiate for, if you convert that by
7 173.33, that is accurate that that would be the 40-hour
8 equivalent.

9 But if we're just simply lowering the pay just to
10 match payrate while the member still works 209 days over
11 eight hours, I don't believe that would be an accurate
12 statement.

13 Q All right. So just to clarify it, just so if we
14 kept -- if we kept the hours and days the members are
15 working the same but the District negotiated a reduction
16 in its hourly payrate such that the hourly rate was
17 exactly 173.33 of the monthly payrate, then you would
18 agree that that would be consistent with CalPERS reporting
19 and the District would be able to continue reporting it's
20 monthly payrate at the same level it has been doing all
21 along. Yes?

22 A Correct. As --

23 Q Thank you.

24 A -- well as lowering the member's earnings.
25 Correct.

1 Q All right. Thank you.

2 MR. MORRISON: No further questions.

3 ADMINISTRATIVE LAW JUDGE: Mr. Glauberman?
4

5 FURTHER REDIRECT EXAMINATION

6 BY MR. GLAUBERMAN:

7 Q Was reducing the monthly -- the hourly payrate to
8 meet the monthly payrate ever something that CalPERS
9 offered as a resolution for this audit, Mr. Lau?

10 A No. This would be a direct conflict because we
11 are simply asking them to reduce the pay of a position.
12 Unless there's, obviously, valid regulatory, you know,
13 reasons within our statute. But for this particular
14 example, we would not ask, you know, to reduce the hourly
15 rate.

16 MR. GLAUBERMAN: No more questions, Your Honor.

17 MR. MORRISON: I just have one question, Your Honor.
18

19 FURTHER RECROSS-EXAMINATION

20 BY MR. MORRISON:

21 Q Mr. Lau, so it's your contention that CalPERS did
22 not suggest that as a possibility. But you -- but to be
23 clear, the District negotiates its own salaries. The
24 District could do that and that would be consistent with
25 Cal- -- the District could simply on its own decide to

1 re- -- negotiate reduction in its hourly compensation
2 structure and leave the monthly structure alone moving
3 forward? And I mean --

4 A That is correct. Sorry.

5 Q I'm sorry. You were saying that is correct?

6 A That is correct. We would take no part in the
7 negotiation. On -- on any salary, you know, negotiations.

8 Q Okay. So to be clear, that would be permissible,
9 but it wouldn't necessarily be something that CalPERS
10 would suggest or recommend; correct?

11 A That is correct. We would never ask to reduce
12 someone's pay without, you know, any, you know, statutory
13 or regulatory reasons.

14 MR. MORRISON: Okay. No further questions, Your
15 Honor.

16 ADMINISTRATIVE LAW JUDGE: Very well. Any further
17 evidence, Mr. Glauberman?

18 MR. GLAUBERMAN: Nothing further, Your Honor.

19 ADMINISTRATIVE LAW JUDGE: All right. Are you going
20 to present closing arguments or just submit briefs?

21 MR. MORRISON: I was hoping we would be able to
22 subject briefs, Your Honor.

23 MR. GLAUBERMAN: Cal- -- CalPERS agrees with that,
24 Your Honor.

25 ADMINISTRATIVE LAW JUDGE: All right. So -- let's

1 look at some dates. I still need to know what -- to
2 submit your briefs simultaneously; is that right,
3 Mr. Glauberman?

4 MR. GLAUBERMAN: I'm -- I'm fine with simultaneous,
5 like, simultaneous -- a post-hearing brief and then reply.
6 I think that usually works best.

7 MR. MORRISON: I'm fine with that.

8 MR. GLAUBERMAN: But --

9 ADMINISTRATIVE LAW JUDGE: All right. Today is
10 September 3rd. When do you want the opening briefs to be
11 due?

12 MR. MORRISON: I think -- well, I think we need to
13 hear from the court reporter when we will have a
14 transcript potentially available.

15 ADMINISTRATIVE LAW JUDGE: Ms. Johnson, can you give
16 us an estimate if people ordered transcripts, when will
17 that -- when will they be ready?

18 THE STENOGRAPHER: Give me one second, please.

19 ADMINISTRATIVE LAW JUDGE: Of course.

20 THE STENOGRAPHER: By the 17th?

21 ADMINISTRATIVE LAW JUDGE: All right.

22 THE STENOGRAPHER: But Counsel will still have to
23 order with my agency. It depends on when they put that
24 official order in.

25 ADMINISTRATIVE LAW JUDGE: All right. So let's --

1 let's assume you'll have briefs no later than
2 September 24th. I need dates after that.

3 MR. MORRISON: That -- that gives us --

4 ADMINISTRATIVE LAW JUDGE: I'm -- transcript?
5 Assuming you have transcript within, September 24th -- or
6 how -- for that new one?

7 MR. GLAUBERMAN: Your Honor, if I may, and I'm going
8 to apologize here. But we've had a few departures which
9 is why I inherited this case. And so I've been absolutely
10 slammed end-to end-recently. So if I can go 30 days from
11 receiving the gre- -- the transcript -- and I don't know
12 if that's a problem with Counsel. I know that is more
13 time than usual to be requested, but it's, you know, busy
14 time right now.

15 MR. MORRISON: I'm fine with that. Why don't we make
16 it October 29th, if that works.

17 MR. GLAUBERMAN: And replies two weeks after that? Is
18 that fine?

19 ADMINISTRATIVE LAW JUDGE: Give me a second here.

20 MR. GLAUBERMAN: All right.

21 ADMINISTRATIVE LAW JUDGE: I have a new desk calendar.
22 I'm having trouble figuring out how it works.

23 So you say October 29th. That's a Friday; right?

24 MR. MORRISON: Yes. And -- and, if I may,
25 Mr. Glauberman, I often receive mail from Sacramento that

1 arrives weeks after it was sent. Can we agree to email
2 transmission?

3 MR. GLAUBERMAN: I'm -- I think that's the best
4 possible way to do this. So, yes, I -- I am very amenable
5 to that.

6 MR. MORRISON: All right.

7 ADMINISTRATIVE LAW JUDGE: Friday. And final briefs
8 due Nov- -- November 12th.

9 MR. MORRISON: Yes.

10 MR. GLAUBERMAN: That works, Your Honor. Yeah.

11 ADMINISTRATIVE LAW JUDGE: So I -- I don't need you to
12 respond in any way, but in writing your briefs, you might
13 want to know that I am concerned about the underground
14 regulation issue. You should address that.

15 MR. GLAUBERMAN: Okay.

16 ADMINISTRATIVE LAW JUDGE: And, also, I'm not sure
17 exactly how it fits in to what I need to do, but I have a
18 question about what effect this has on contracts with
19 unions. And you might want to address what would happen
20 if I ruled in PERS's favor on this. What would happen to
21 Union contract? I haven't thought about it carefully, but
22 it's in the back of my mind. I thank you all.

23 Anything further?

24 MR. GLAUBERMAN: Nothing further, Your Honor.

25 MR. MORRISON: Nothing further, Your Honor. Thank you

1 very much.

2 ADMINISTRATIVE LAW JUDGE: Ms. Johnson, how many pages
3 would you have if you transcribed this?

4 (Proceedings adjourned at 2:49 p.m.)

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 REPORTER'S CERTIFICATION

2
3 I, the undersigned, a Certified Shorthand
4 Reporter of the State of California, do hereby certify:

5 That the foregoing proceedings were taken before
6 me at the time and place herein set forth; that any
7 witnesses in the foregoing proceedings, prior to
8 testifying, were duly sworn; that a record of the
9 proceedings was made by me using machine shorthand, which
10 was thereafter transcribed under my direction; that the
11 foregoing transcript is a true record of the testimony
12 given.

13 Further, that if the foregoing pertains to the
14 original transcript of a deposition in a federal case,
15 before completion of the proceedings, review of the
16 transcript [] was [] was not requested.

17 I further certify I am neither financially
18 interested in the action nor a relative or employee of any
19 attorney or party to this action.

20 IN WITNESS WHEREOF, I have this date subscribed
21 my name.

22 Dated: September 26, 2021

23 
24 Justyne Johnson,
25

<hr/> \$ <hr/>	\$4,022 99:9,14,15	64:22 68:2 76:1 87:5 92:2 137:21	173 35:21
\$1,000 29:24	\$4,046 121:15	12/13 119:22 132:9 133:1 137:18,22	173-hour 73:7
\$1,720 26:16	\$48.08 12:7,11	122 5:5	173.33 35:22 50:20,24 51:5,13, 15,21 52:2,13 58:3,10 59:22 74:20 75:3,16 76:1 114:20 123:21 125:9 140:12 157:18 158:10 159:14 160:7,17
\$10,000 27:6,12	\$5,000,000 84:13, 24 90:9,21 97:3,4, 9	123 4:9 5:3	177.33 112:10 157:10
\$100,00 12:3	\$6,000 27:13,17	12800 3:8	17th 163:20
\$100,000 10:22 11:7,8	<hr/> 0 <hr/>	12th 165:8	18 138:5,8,9
\$12.18 22:6	087 69:9,11	13 13:4 127:5 134:22	19 69:24 138:21, 22 139:15
\$120,000 27:3	0977 26:17	132 4:9	1999 60:7,24 61:17 62:5 74:2
\$168 26:14	<hr/> 1 <hr/>	139 5:13,15,17,19	1:00 101:8
\$173.33 157:1,7	1 25:24 26:1 27:11 54:25 70:3 74:16 97:16 104:11 122:22 123:1 149:2	14 33:7 34:25 35:24 39:5 92:22 134:22	<hr/> 2 <hr/>
\$22.58 133:4,10	1,720 26:13	14301 2:21	2 5:17,19 12:15 25:6,8,9 27:1,9,11 29:23 134:13 138:17,23 139:2,7
\$22.59 19:8,9 22:2 26:7,8 36:19 153:17 154:22 159:2	1-8 138:9	147 4:17	2,080 11:8,11,25 12:4,7
\$23.26 93:2	1.0 26:2	148 4:19	2,258.75 128:15
\$274 121:3	1.5 36:19	149 4:14	2- 10:15 122:9
\$284 121:20 122:7	10 25:16,24 35:1, 10,17 40:6 43:16 62:11 63:16,17 64:14,15 150:24	15 102:21 134:24 135:6,15,18,25 136:6,25 137:21 139:9 150:19	20 3:12 12:20 34:5,25 38:5 58:22 86:3 134:24 135:6,16,18 139:1,6,9,15 147:14 150:10
\$3,785 98:13,16 99:8	102 4:9	150 4:15	2000 147:12
\$3,795 13:17 14:4, 8 25:22 26:7 34:2, 7 99:11 105:8,17, 21 119:18 132:15, 19 157:10	10th 37:8	151 5:21	2006 5:8 62:16,22 63:8
\$3,875 99:3	11 33:24 34:8,13, 22 35:1,10,17 36:6 40:16 52:20 54:5 55:8 56:2 72:7 78:3 81:5 126:24 131:20	152 5:22	2007 66:21 86:25
\$3,909 121:7	110 114:24	153 4:4	
\$3,915 98:16 99:18,21 106:18	1100 3:12	155 4:4	
\$3,915.60 22:2 97:23 105:9,17,21 106:14 110:14 153:16 154:8,12	1115 73:19	16 46:25 136:1 137:7 149:2	
\$37,950 33:22	116 5:5	161 4:4	
\$4,000 99:13	12 24:6,9,11,19 27:3,4 38:24	168 26:9 41:2 50:9,18 51:14 73:11 83:9	
\$4,002 13:12 34:4, 6		168-hour 41:11	
		17 138:1 139:15	
		171.1 5:18,20 138:20,24 139:3	

2008 5:12 65:11	138:4	2:49 2:18 166:4	132:16 159:17
2012 13:4 52:11 72:3 127:5 140:9	21 38:1 49:18 50:2,9,18 57:16 73:14 75:1 81:7 83:3 125:12 139:23 140:6 146:12,18,19	<hr/> 3 <hr/>	40-hour 12:5 19:5 31:20 35:15 154:7 156:15,23 160:7
2012/13 117:1		3 2:19 6:1 26:23,24 84:12 90:15,20 91:8,10 93:5,19, 21 94:4,9,14,15, 18 96:15,17 97:3, 5,7,11 98:14	46 4:7
2012/2013 5:13 137:24		3,795 128:20 129:5 132:12	<hr/> 5 <hr/>
2013 13:11 14:5, 12 92:22 137:23	21-day 37:14 41:1,11 49:12,13 50:5,14 52:17 66:4,17,22,25 88:9 104:1 125:7	3,900 154:11	5 37:23 134:5,9
2013/14 92:8 120:10,23 121:1		30 27:8,9,10 145:1 151:7 164:10	501 148:2
2014-year 120:19	21.5 38:6	300 3:8	52 11:1,21 38:23 75:24,25 159:17
2014/15 121:12	21.667 37:20 38:24 125:9	30th 5:10 55:18,25	52-week 75:20
2015 105:24,25 121:23	21.67 74:12,16 125:11	32 4:3	55 27:1,10 29:24
2016/17 130:21	21.75 38:15,18	34 149:14	56 5:10
2017 52:12 72:4	21221 5:16 136:10 137:16 138:4	3543.2 5:14,16 136:10 137:17 138:4	570.5 5:18 138:20, 24 139:8
2018 57:7,8 58:1 69:23 78:12 106:7	22 146:12 148:14	36 7:21 92:16,20, 22 93:1,5 119:5, 21 121:16 127:25 128:11,14,20 132:11 133:3	599.670 138:19
2018/19 72:17	22.58 128:11	36F 132:12 133:4	5th 142:3
2019 5:10 37:8 55:18,25 57:7,8 58:1 78:13 111:16 131:12 142:3	23 38:5	37 31:17	<hr/> 6 <hr/>
2020-0436 2:8	23.26 93:5	39 4:3	6 27:12 134:5,14
2020090431 2:9	23636.1 147:12	3rd 163:10	60 5:7 27:11,12
2021 2:19 6:1	24 139:23 140:6	<hr/> 4 <hr/>	62 5:7,8
206.36.1(b)1 148:7	24th 164:2,5	4 13:2 43:18 98:6 104:17 107:3 134:5,9 153:11 155:9	64 5:8
20636.1 4:18 5:14,15 8:15,23 9:2,13 10:12,13, 15 136:7,9 137:9, 12 138:3 147:10	25 139:21 140:7	4,002 99:13	65 5:12
209 8:2 10:1 28:8 36:1 119:16 160:4,10	26 140:16,18,22	4,022 99:6	68 4:7 5:12
20962 5:14,16 21:2 25:17,25 26:11 136:9 137:15 138:3	260 38:23,24	40 10:25 11:20,21 28:7,11 75:25 118:13,14 119:15	<hr/> 7 <hr/>
20966 5:14,16 136:10 137:16	264 68:25		7 4:3 29:22 134:19
	27 140:23,24 141:2,20 142:5		71 5:3
	274 122:9		78 4:7
	28 140:23 141:2, 24 142:5		<hr/> 8 <hr/>
	284 122:9		8 29:23 37:3 49:21 50:9 104:2 114:23,24 115:10 122:12,13,15
	29 143:24 144:18, 20		
	29th 164:16,23		

80 4:8
89 4:8
897 37:3
8th 5:12 65:4,11
66:21

9

9 60:2 61:21 63:15,
16
94229 3:5
942707 3:4
96 4:8
9:09 2:17 6:2

A

a- 150:9 153:10
A-1 4:14 145:2
149:10,15
A-11 127:1 131:21
132:2
A-12 92:6,7,10
A-2 4:15 149:13,
21 150:3
A-21 4:17 147:15,
16 150:10,23
A-22 4:19 147:23
148:15,16
A-L-A-N-E 116:1
A-N-T-H-O-N-Y
80:12
a.m. 2:17 6:2
A1 151:1
A10 151:2
A182 150:1
A22 151:1
A28 149:3
A29 149:14

A3 150:11
A357 126:24
A358 126:24
A360 128:7
132:24
A361 128:20
131:23,25
A367 92:8
A368 92:8
A4 150:19
A480 146:20,22
A501 148:2
A513 148:3
absolutely 10:17
47:13 52:8 83:4
94:17 164:9
ac- 134:4
acceptable 38:2
61:12 63:24
accepted 59:18
64:10
access 44:11
acco- 113:16
accompanies
128:8
accounting
81:11 103:9
accrediting 28:1
accurate 7:18
11:22 17:5 19:11
21:25 22:8 30:9
31:20 49:17 54:1
57:25 61:17 98:14
112:17 157:20,22
158:8 160:7,11
achieve 18:19
acknowledge
16:5
Act 66:15
acting 114:8

active 81:15,16,
24 82:8
ACTL 118:17
actual 20:18,24
94:6 118:12
119:14
added 144:13
146:19 148:8
addition 146:14
additional 28:2,
13 30:6,10,22,23
145:18
address 134:25
165:14,19
addressed 87:19
142:21
addressee 65:6
adjourned 166:4
adjust 20:24
22:21
administer 80:2
101:16
administrating
38:21
Administrative
2:4,20 6:5,14,24
7:3 9:11,18,20
10:10 11:10,12,
15,17,20,23,25
12:2 13:23 14:1
15:24 16:4 18:1,8,
14 20:7,10,13
21:8,19 23:9,12,
21 24:16,21,24
25:7 26:3,23
27:19 29:2 31:9
32:5,15,17 34:18
35:6 37:1,25
38:13 39:3 41:16,
20,23 42:12,15,
21,23 43:3,8,15,
19,23,25 44:4,8,
13,21,24 45:2,7,
11,16,19 46:3,6,
10 48:12 49:24
50:1,6 51:9,12,17

53:7 54:6,18,21
55:3,6,14,17,19,
24 56:4,7,9,16
58:5 60:4,8,12,16,
18 61:22 62:4,7,9,
14,17,20 63:1,16
64:15,17,19,24
65:2,6,9,14 66:6,8
67:8,15 68:3,7,11,
14 70:5,9,13,16,
18,21 71:2,6,9,11,
17 75:2,4,9,23
76:2,5,7,9 78:1,4,
16,18,21,23 79:1,
7,11,13,15,17,21,
23 80:1,7,10,14
82:6 83:25 84:19,
22 85:5,8,10,17,
21,24 86:1 88:17
91:1,3,6,10,13,15
92:4,6 95:24
96:10,21,25
97:10,13 98:3,20,
24 99:4,7,12,16
100:1,4,8,11,16,
22 101:5,7,10,14,
16,21,24 102:3
105:11,18,22
106:1,5,8,15,20,
25 112:22 115:7,
11,15,19,22
116:3,8,14,17
117:12,20 122:6,
10,13,15,17,21,25
123:2,5 124:6,17,
23 126:5 131:16,
18,21,24 132:1
133:17 134:2,8,
12,16,20,23
135:23 136:2,8,
11,14,21 137:6,
10,13,20,23,25
138:8,10,12,14,18
139:10,17,23
140:5,14,22
142:7,12,14,18
143:13,18,20
144:10,16,20
145:6,11,20
146:1,4,8,10,17,
22,24 147:2,5,14,
18,20,22,25
148:15,18,21

149:7,10,12,17,
21,23 150:5,11,
16,18,24 151:9,
14,16,19,23,25
152:5,7,11,15,19,
24 154:3,10,13,
18,20,23 155:3
157:21 161:3
162:16,19,25
163:9,15,19,21,25
164:4,19,21
165:7,11,16 166:2

admission 88:14

admit 55:1 64:13
68:1 91:20 135:6

admitted 54:22
144:19

adopted 58:9
142:25

advisory 48:19
111:24

advocate 59:5

affect 23:24

afternoon
101:14,15 152:12

agencies 48:4
59:15

agency 46:25
50:13 113:10,22
163:23

agenda 4:17
147:11

agree 156:20
160:18 165:1

agreed 124:7

agreement 84:2
103:7

agreements
72:25

agrees 22:24
162:23

ahead 12:2 42:10
60:18 62:24 65:12
71:15 91:5 94:10

100:14 124:23
151:6 152:19

air 83:8

Alane 5:6 115:5,
18 116:5,23

align 125:4

allege 131:5

allowance 16:25
21:17

allowed 128:22

alternative 37:10,
17 109:20 110:16

alternatives
111:8 154:24

amenable 165:4

amended 4:19
42:3,7,13 146:15
147:23 148:11,12

amount 10:3 11:6

12:5 13:16 18:2
30:20 31:22 32:1
33:22 72:12 84:5,
9 85:2,3,14 93:18
94:8,11 97:5
119:17,25 120:8
121:2,6 126:4,8
132:19 133:9,10
160:1

amounts 13:22
15:2 94:7 157:1,2
159:20

ANDELSON 3:6,
10

angle 135:12

annual 7:22 8:4
9:25 10:2 11:6,8
12:4 33:12,22,25
34:14 35:16,25
36:5 118:11,21

answering
159:23

answers 66:11

Anthony 4:8 79:9
80:5,12

anticipating
41:20

apologies 11:16
18:13 23:1 30:16
154:6

apologize 53:17
70:3 75:7,15
76:13 94:2 129:13
151:13 164:8

apparent 104:21

appeal 2:7 37:7
41:5,8 42:25
142:12

APPEARANCES
3:1

appearing 2:17

appears 15:17
22:4,5 31:2 34:1
35:24 38:6 39:19
57:9 60:23 68:4
72:3,5 117:19
142:2 157:8

appellate 43:1

application 47:2,
9

applied 38:20

applies 135:21
143:8

apply 116:25
141:7

appraisal 6:8

April 5:10 55:18,
25

area 103:9 118:19

arguments
162:20

arrive 90:21

arrived 98:15

arrives 165:1

arrow 118:2

asks 66:10

aspect 35:5,13

assigned 150:12

assignment 5:5
30:19,23,24 40:9,
10,13,15 115:5,
17,19 116:5,23
132:16,20

assignments
13:7

assist 104:11
144:8

association 20:3
58:14 59:3

assume 16:1
57:24 61:15 99:17
164:1

assuming 22:8
26:9 29:25 159:16
164:5

assumption
14:23 27:7 34:11

ATKINSON 3:6,
10

attached 147:8

attachment 33:5
127:11,12 130:7,
17

attachments
37:7 44:15 150:21

attend 61:10
112:3

attention 112:9

attribute 17:23
22:17

audio 70:18

audit 5:3 13:2
18:19,20 20:2,16
49:6 51:3 52:11
69:19,20 70:25
71:2,7,13 72:3,10,
14 74:16 86:3
96:18 97:16,21
104:4,6 106:2,4
107:22 108:21

112:9 114:12
123:15 125:10
130:11 137:19
143:7 148:10
153:3,10,11
155:10,16,23
158:2 161:9

audits 141:5,6

August 5:12 65:4,
11 66:21

author 55:13
65:4,5

automatically
25:20

average 17:21
24:9,11,20 31:15,
16 37:14 38:4,6,
15,17 49:15 93:5
104:1

averaging 37:23

aware 48:18,24
49:2,4,6 50:12,13,
23 52:1,15 53:19
58:8 66:21 72:15
73:6,10,15 86:19,
22 87:2

B

B- 151:16

B-1 5:3 70:4,5,6,7,
8,17,18,21 71:12,
16 97:18 104:14

B-10 5:8 62:13,21,
25 64:18

B-11 5:10 52:23
55:25 56:3,8
68:25 69:1 78:4,5,
6

B-114 60:5

B-12 5:12 64:23
65:9,13 68:8,10
77:6,9 87:7,9

B-13 134:21

B-14 39:22

B-16 5:13 139:11,
15

B-17 5:15 139:11

B-19 5:17 139:11

B-2 134:3,5,9

B-20 5:19 12:21
139:12

B-28 142:7,19,21

B-29 144:1

B-30 5:21 144:2,3
151:16,17

B-31 5:22 145:7
151:21,23 152:3

B-7 134:16,17

B-8 5:5 114:25
115:11 116:3,7
122:16

B-9 5:7 60:3,4,15
62:4,8 73:19,22

B1 70:22 71:12
104:12

B10 70:4,7 71:19

B109 115:14
116:4

B11 97:16 104:16

B110 116:16

B111 120:3

B113 121:11

B114 73:19

B116 61:2 73:20

B117 62:12,22

B154 63:14

B2 134:12

B263 52:21 55:9
68:25

B264 52:22 78:5

B266 64:22 65:10
87:7

B267 77:7

B27 143:21

B28 143:21

B310 136:6

B321 137:8

B346 138:5,11

B352 138:22

B356 139:1

B377 140:8

B393 141:21

B398 141:25

B428 144:3 151:8

B462 151:21

ba- 72:2

back 6:14 9:11
10:2 13:16 14:8
18:5 25:25 33:5
34:5 35:8 36:8,22
37:8 45:2,19 65:3

73:17 74:8,10
86:25 105:24
107:12,17,24,25
108:7 138:2
143:24 148:19
151:3 152:15
154:3 165:22

back-and-forth
123:17

background
141:18,20

ballpark 90:9

bargain 103:16

bargaining 52:8
72:25 81:16,17,25
82:1,9 83:23,24
84:3,9 85:14
103:7 127:4
130:21

base 7:19,24 8:17,
18,21,25 65:10
72:24 118:17
125:11 129:6
132:20 133:8,12
160:5

based 10:12 15:1,
11,13 16:12 18:3,
4,10 22:1 24:5,6,
19 26:24 27:10,18
31:16,20 33:15
34:13 35:14,15,16
36:1,4 38:4 41:5
50:16 63:19 64:7
66:20 72:2 75:5,
13,15,20 83:8
90:1,16 94:11
95:16,25 96:17
97:8 120:10
154:7,16 155:19
156:15,23 157:7,
22

basic 11:5 94:2

basically 95:14
104:5 106:12
110:1 114:11
118:7 120:22
125:7 126:8

basing 95:11,13

basis 14:20 15:7,8
30:18,21 31:16
32:9 33:1 39:15
40:1 84:4 94:21
111:18 117:4
118:6 119:2,9
155:19

Bates 149:25

Bates-stamping
115:13

be- 44:9 132:15

bear 36:24

beca- 76:5,7

beg 6:18 96:25

beginning 40:22

begins 60:4 73:19
116:4 126:24
146:20

behalf 114:6,13

believed 66:25
67:23

beneath 56:24

57:12
benefit 21:23
31:12,23
benefits 17:20
21:9 23:23 24:1
29:6 32:6,14
bi-annual 33:16
bigger 87:14
binder 37:4
binding 143:4
bit 6:23 12:25
20:25 26:17
40:20,23 81:21
113:9 117:7
158:14
blurred 130:2
blurry 130:2
board 4:17 84:14,
18 141:22 142:1,
13 147:10
Bob 87:25
body 43:1 142:8
booklet 60:9
bookshelf 74:5,8
bottom 87:23
117:14 118:16
bound 58:10
box 3:4 39:11
117:22
boxes 118:15,17
break 43:5 44:7,
19 146:7 152:12
breakdown 89:10
briefly 32:18
58:25 132:4
140:25 145:22
152:9
briefs 162:20,22
163:2,10 164:1
165:7,12
bring 18:5 26:20

77:6 97:15 108:15
126:22 129:11
Brock 65:8 87:20
broke 8:3
brought 49:7
budget 85:12,16
91:8 103:8
budgeting 81:11
bulk 47:7
bundles 54:8
bus 32:3
business 58:14
59:3,8,19 64:10
81:5,10 102:14
103:1
busy 164:13

C

C-H-A-U-D-H-R-I
55:16
cage 26:21
cal- 47:13 49:5
110:25 142:9
161:25 162:23
Cal0 37:10
calcula- 94:2
calculate 11:18,
19 17:20 21:16
23:17 31:23
36:12,20 58:3
61:7,23 63:24
83:10 94:11 111:1
128:25 129:2
157:16 158:8
calculated 27:15
96:17 103:23
106:14
calculates 48:24
49:10 91:17
calculating 16:24
20:21 23:10,13,
23,25 37:10 49:3,

14 50:25 51:6
52:2 58:11 59:22
61:13 63:21 66:22
123:19
calculation 17:21
18:6 19:11 25:9
26:5 51:2 66:17
75:19,25 95:17
97:5 99:5 110:1,9
114:20 117:15
123:18,21 124:2
125:4,5 130:8
158:7
calculations
26:21 49:7 91:24,
25 95:12,23 158:7
calendar 40:16
119:13 140:9,10,
11 164:21
calendars 140:9
California 2:2,3,
23 3:2,4,9,13
5:17,19 6:7 58:13
59:5 112:4 135:1,
19 136:1,3 138:7,
17,23 139:2
141:3,23 142:2,9,
21
call 34:7 45:6
49:13 58:24 62:15
64:24 79:9 111:15
130:11 157:8
called 7:2 46:2
80:6 101:20
calls 101:13
130:13,14
Calper- 141:9
Calpers 4:17
12:20 13:3 14:25
16:10,12 17:3
19:15 28:21 29:14
30:12 33:4,13,16
35:11,12,21 37:3,
11,17 39:5 40:17
42:2 47:11,15,17,
21 48:4,16 49:5
50:20 51:4,22
54:14,25 58:9

59:15,22 64:3
68:5 69:19,20
73:2,6 77:13,20
86:4,10 92:2
95:21 96:18 97:21
98:7,16 104:4,9,
21,25 107:8,20
108:19,20 109:2,
11 110:3,16
111:4,8,19,20,22
112:2,10 113:19
114:4,5,9,19
123:12,21 126:23
130:9 131:1,5,20
134:6,18 135:13,
21 141:15 143:15
146:12,13 147:10
152:9 153:13,19,
22 154:14 160:18
161:8,21 162:9,23
Calpers' 8:4
63:25
Calpers's 18:21
32:25 35:9,12
43:13 67:1 74:15
110:9 123:18
124:2 125:5,8
141:5 150:14
155:20 157:3,13
158:7
Calstrs 47:14
48:5 59:16 111:22
112:2 114:4,6,9
135:13 141:9,10,
17,18 143:3,6,10
Camacho 153:8
capacity 28:10
76:24 153:6
capture 137:17
care 33:16,17
44:16 157:14
carefully 165:21
CASBO 5:7,8
58:15,25 59:2,9,
18,24 60:6,25
61:10,13,17
62:17,22 63:9,19
64:2,7,9 73:18

74:7 75:17 76:15,
16,19,23 112:4
125:17

case 2:8 6:7 9:21
10:1,9 16:16 19:6
21:21 30:7 31:10,
12 32:9 44:5
52:21 54:19 55:2
62:11 63:14 64:22
89:12 90:20
103:13 141:19
142:4,5,17 164:9

Caseline 78:3
136:5

Caselines 42:5,
16 44:1 55:9 60:4
62:22 70:14 71:12
116:4,15 144:23
146:6,13 148:1
149:13 150:1,18

cases 9:23 10:24
21:21 28:7 31:21,
24 32:3 38:12

catch 13:24
114:14

categories 82:17

category 97:8

caused 42:19

CDE 48:4

Center 3:8

Cerritos 3:9

certificate 103:4

Certified 2:21

chair 58:24

chance 125:11

change 12:8
20:18 30:1 31:10,
13 72:18,21 83:16
121:22 133:5
154:25 159:24
160:1

changed 54:8
91:6

changing 72:15
90:7 151:10
158:25

CHARLES 3:3

Chaudhri 5:10
53:5,10 55:13,15
56:1

check-in 148:23

Chief 80:23 81:3,
4,9

choose 27:18

choosed 19:4
155:18

chunks 40:24

circular 51:4,20

circulars 48:7,16
111:23

cite 137:1

citing 148:6

clarification
66:1,13 99:11
141:19

clarify 8:15 21:25
88:6 96:24 97:2,6
113:10 124:12,15
158:19 159:23
160:13

classifications
127:8

classified 9:24
10:4 24:6 26:25
33:23 48:25 49:10
73:20 81:18
82:15,21 83:7
89:5,12 92:21
103:5,11 118:8,
23,24 119:3 122:2
126:7,8 127:4
130:21 132:8,25
156:6,21

clean 10:21

clear 69:16 89:4
95:5 97:9 106:23
108:18 113:11
161:23 162:8

client 40:5

CLMO 118:8,22,
24

closing 162:20

co- 42:6

code 5:13,15,17,
19 8:23 9:2 21:2
25:17,25 26:11
40:6 135:1,2,19
136:1,3,7,12
137:1,4,9 138:3,7,
17,23 139:2

codes 57:1
136:17

coding 114:2,3

codings 114:3

col- 16:15

Cole 44:17 54:7

colleague 53:10

colleagues 53:5

collected 50:17

collective 72:25

collectively
103:16

column 13:5,21
16:15 56:19 57:6,
10,12,16,18 93:1
119:5 121:16

columns 56:12

commencing
2:17

committee 58:24
76:25 77:1,4

committees
59:14

common 61:4
76:20,21 78:11

commonly 23:16
59:18

comp 118:18

comparing 94:12

compensa- 18:15

compensate
22:9

compensating
39:15

compensation
13:1 16:14,15
17:18 18:13 20:22
23:18,19 24:3,5,8,
12,18,24,25 25:1,
4,9 27:15 29:15
30:3,18 31:5
39:14 41:2 91:18,
23 109:17 142:24
157:1 162:1

compiled 53:5,9,
19

compliance 52:4
66:16 67:1,23,24
114:11,19

complicate 92:25

complying
141:14

compound
98:19,22,25

comps 148:9

computation
35:19

concept 74:19,20

concepts 5:7,9
60:7,24 62:6,15,
23 63:8

concern 55:19
57:8 88:14 141:1

concerned
134:17 165:13

concerns 48:13
55:21 157:3

conclude 10:14
66:21

concluded
154:14

concluding 2:18	contract 165:21	40:7,8,11,12,17, 18,21,24 41:12,13	couple 13:7 74:9
conclusion 10:11	contracts 165:18	49:19,22 50:10, 11,19 51:16 56:22	96:11 131:17
conducted 142:11	contributing 29:18	57:5 62:19 64:3,6	133:25 145:9,12 146:6
conference 59:24 60:25 111:15	contribution 17:17 19:23,24,25 30:7,25 112:6	67:19 69:15 72:4 76:24 85:23 89:7 91:12,14,25 95:18 96:20 97:12 98:18 99:23 106:14,18 107:18,19 108:11 119:25 120:20 121:20 124:19 127:22 128:4,12 132:12 133:5 136:13 146:3 148:8 152:17 154:16 155:2,11, 14,15,19,22,23 156:4,6,9,22,23 158:4,5,7,10,11, 16 159:11,22 160:22,25 162:4, 5,6,10,11	court 3:8 163:13
conferences 59:9,12,18 63:9 64:9	contributions 16:17,18 17:7,14, 15,19,24 18:2 20:4 22:18 23:10, 14,18 28:4,5,12, 20 29:3,5,7,9,20 30:10,13 31:4,5		cover 92:8
confirm 15:18 27:5 39:20 40:3	conversations 87:21 88:12		covered 59:23 69:23
confirmed 157:16	conversion 19:10 31:23 34:14 35:2,21 36:7 37:11 73:7,11	corrected 107:4	create 54:10 90:23 114:2
conflict 161:10	convert 157:15 160:6	correction 64:2	creating 35:2
confused 23:16	converted 35:16 157:9	correctly 9:12 148:6	credit 17:1,21 19:11 20:24 21:15 22:3,4,8 23:18 25:10 26:20 28:2, 3 32:7
confusion 151:13	converting 31:19 157:18 160:5	correlate 41:2 119:21	credited 35:19
consecutive 24:7,19	coordinate 104:6	correspondence 86:23	credits 21:10 23:22,24,25
considered 34:10	copied 87:24,25	cost 29:22,25 84:24 90:9 95:23	cross 4:2 6:19,21 23:8 100:1
consistency 38:20 92:18	copies 135:1,2	Counsel 115:7 129:11 135:11 147:8 163:22 164:12	cross- examination 6:17 7:5 27:23 32:23 68:18 89:1 123:8 155:4
consistent 55:12 90:18 160:18 161:24	copy 44:18 54:1,7 61:17	county 46:16 47:19 51:23 52:4, 12,16 57:4 58:2 75:8 78:11 86:11, 15,16,18,24 88:3 111:15,21 112:13, 14,15,18,19,25 113:1,7,8,14,15, 21,22 114:17 125:17 129:25	crosstalk 23:4 76:10 93:24 94:23 156:12
consists 140:8	cor- 34:22 69:13 98:9		CSCA 81:18
constitutes 64:9	correct 9:3,17,22 10:18 11:19 12:1 13:3,4,9,10,18,19 14:5,6,9,10,12,13, 17,18,22 15:4,5, 15 16:25 17:1,4,8, 9 22:17 25:3 28:5, 18 29:1 30:25 31:1 32:8 34:22		CSEA 88:1,4
consulted 77:20			CSR 2:21
contacted 49:5			cur- 9:20
contained 124:8			current 67:14 68:20 86:3 102:9 105:8,20 107:13 135:1,19,20,25 136:25 137:20 138:6 139:13 148:6 158:13 159:14
contemplated 109:23			
contention 20:17 22:14 123:22 161:21			
context 41:7 125:2			
continue 29:7 159:19 160:19			
Continued 5:1			

D			
da- 74:17	decide 161:25	150:3	direct 4:2 46:13
daily 33:15 49:18, 20 50:3 61:24 73:20 74:11,16,17 77:2 78:11 104:1 118:12	decided 41:4 140:4	departures 164:8	78:1 80:18 92:1 96:10 101:3 102:7 126:23 161:10
dash 117:25	decimal 38:8,10	depending 129:14	directing 19:16, 22 154:25
data 120:19	decision 141:3, 17,25 142:3,5,8	depends 163:23	direction 86:24 98:7 157:13
database 35:12	decisions 142:16	derived 17:17 23:19	directives 111:22
date 55:17 60:7 62:16 65:3 86:10 106:5 111:18 119:13 130:12	decrease 32:5 111:9 124:9,13 125:2	describe 47:3,16 55:11 58:20,25 60:5,6,22 62:14 70:23 81:8 104:3 140:25	directly 49:4 153:8
dated 5:7,10 37:8 55:25	decreased 21:10	describes 9:6	director 45:17 46:21 47:4 81:5 95:14 97:4 102:14,23 103:1
dates 163:1 164:2	decreases 31:25	describing 21:15 141:13	directs 20:16
day 6:6 8:3 10:6 35:25 36:21 37:20 38:15 40:11,14 119:15 126:14 129:12	decreasing 17:22 109:22 124:18	description 4:13 5:2 55:10	dis- 109:24
days 5:11 8:2 10:1,2,3 14:16 28:8 36:1 38:5,6, 23,24 50:2,19 53:23 54:9 55:22 56:1 57:11,14,16, 23 62:2 72:8,12, 19 73:14 74:17 75:1 83:9 118:13 119:15,16 125:11 126:11 132:17 140:10,11 149:1 159:24 160:2,4, 10,14 164:10	deduction 99:8, 13	designate 142:15	discovery 140:1, 3
de 124:13	default 57:13,23	designated 9:25 54:17	discuss 48:20,21 130:11 140:3
deal 42:13 44:1 77:2 139:24	defense 5:22 144:9,11 145:2 151:22	designation 56:24	discussed 123:23 125:3 131:5 146:15 153:12
dealing 92:16	defer 89:13,14	desk 164:21	discussing 90:24 109:24 125:14 131:1
December 37:8 106:7 142:3	defined 9:2	determine 9:13	discussion 41:1 49:8 87:22 109:20 110:3 123:17 125:18,19 134:1
deci- 53:13	defines 75:18	determining 112:11	discussions 48:18 124:8 153:4 154:4
	delved 90:3	development 47:2 59:4	dispense 140:4
	demonstrate 18:6	dif- 96:15	displayed 12:21 39:22 52:23 60:3 62:13 64:23 69:1 70:8 73:22 77:9 78:6 87:9 92:10 97:18 104:14 114:25 127:1 132:2
	demonstration 41:6	difference 21:20 98:15 126:2 148:5	
	denom'd 133:4	differences 87:2	
	denominator 36:11	differential 84:12 90:11,14 96:16,17 98:14	
	denote 7:18,22 8:23 11:6 25:10 34:15	differently 126:19	
	deny 40:3	difficult 136:24	
	Department 3:2 46:16 112:13,18 113:2,14 114:18	digits 37:22	
	department's 4:2,13 147:16 148:16 149:15	dir- 11:12 49:4	

DIST 56:20
distant 72:16
distinction 89:18
distinguish
85:10 126:13
district 2:9 5:4,5
6:10 7:23 8:5
14:19 15:6,7
16:10,22 17:7,11,
12,13 18:19,20,21
19:1,4,7,8,14,15,
17,22 20:16 21:4
22:15,19,24 26:6,
9 29:14 30:17,20
33:23 34:10 35:1,
2,16,20,23 38:4
39:13 41:1,3,10
45:5 47:17 50:20
51:14 53:6 54:14,
22 56:21,25 57:2
65:25 66:4,9,10,
16 67:21,24 69:9,
11 72:13,18,24
79:8 80:23 81:6,7,
9,23 82:9,14,23
83:15,20 86:4,20
88:1,3,5 89:4,8
90:9 91:17,23
93:6 95:23 96:18
98:13 101:13
102:11,13,21
103:10,16,20
104:11,22,25
105:5 106:22
111:24 113:16
114:9,24 115:9,17
116:5 122:11,22
125:20,23,24
127:4 128:25
141:13 143:16
153:4,13,20
155:16,18,21
156:20,25 158:3,
13,20,24 159:1,8,
18 160:15,19
161:23,24,25
District's 34:14
37:7 52:20 54:16
55:8,22 57:13
60:1 61:21 62:11
63:15 64:14,21
68:2 78:3 82:19
86:5 87:4 97:16
103:8 113:19
156:6 157:8
District-wide
156:3
districts 31:17
47:6,25 48:6,10,
17 50:24 51:23
52:3,12,16 53:24
57:3 58:1,10 59:5,
6 61:7 65:23 66:2
67:19 78:12 86:9
88:8,12 113:22
114:7,13,14 141:8
142:23 143:5,9
divide 10:3 25:16
49:17,20 50:2,3
103:25 104:1
157:23
divided 11:9 12:6
25:11,12,15,23,24
26:8,15,16 27:3
34:1,14 36:5
38:24 76:1 83:9
divides 35:1
dividing 10:5
12:4 49:23 50:9
157:10
divisor 49:13
50:5,18,19,21
dock 133:14
157:16
docking 133:12,
13
document 16:21
33:3,19 39:24
44:18 52:25 53:3
54:8 60:20 62:6
63:4 65:16 69:4
71:19 72:3 74:2
77:14 78:10,14
98:1,2 115:2,25
116:11,20 117:2
118:19 127:8
141:24 144:7
documented
68:5
documents
42:11 43:17 44:17
73:18 135:3
dollar 119:18
double-check
122:20
doubt 15:19,21
32:24 33:4,20
39:25 40:3 43:8
Dougherty 5:12
65:5,11 66:11
downward 20:25
drafted 67:12
Drive 3:8
driven 59:14
driver 32:3
drop 22:3 158:13
dropped 156:25
dry 30:13
due 9:19 10:15
163:11 165:8
duly 7:2 46:2 80:6
101:20 152:23
duplicate 150:25
dur- 123:16
duties 47:3 81:8
91:22 103:2
duty 10:1

E

E- 129:24
earlier 34:6 41:6
89:6 124:15
146:12
earn 21:1 22:4
25:18 26:12 31:21
earned 27:8
earning 18:4,12
25:4 26:18 27:11
28:16
earnings 13:20,
21,22 14:7,15
16:14 17:18
18:10,12 20:24
23:16,19 24:25
25:3,11,15,21,23
26:8,15 28:13
30:3,6,8 31:4
40:20 93:6 159:6
160:24
easier 33:10
educating 59:8
education 46:17
47:25 48:14 75:8
86:11 112:14,15,
18,19 113:2,8,14
114:18
educational 59:9
effect 124:18
165:18
effectively 150:8
elaborate 81:21
elect 27:16
elucidate 137:4
em 107:11,12
email 5:10 44:15,
17 53:11 54:1,2
55:13,23,25 56:13
69:17 72:6,7
111:22 129:11,19,
21,24 130:3,10
135:11 165:1
emplo- 131:6
employed 117:3
118:5 119:2,9
122:1
employee 8:6
9:21 12:5,10,18
13:2 16:17 17:2,4,
7,14,15 18:23
19:17,23,24,25
21:22 22:19 28:1,
5,16,18,25 29:16,

17,21 30:25 32:6
33:23 34:11,23
40:9 85:14 97:22
98:13 99:3,7
105:15,16,22
106:13 107:13
108:1,20 112:6,11
115:18 117:5
118:23 119:16,22
122:1 124:10
126:3,8,9,14
128:4 132:15
159:1

employee's
13:12 16:25 20:19
21:6 110:14
115:24 130:21

**employee/
employer** 17:13

employees 9:25
48:25 49:11 81:23
82:15,21 83:7,18,
19 89:5,11 91:7,
11,18 103:11
105:7 108:23,24
109:17 120:13
126:5,10,19 127:5
131:7 155:22
156:2,6,21 158:16
159:10,22

Employees' 2:2
3:2 6:7

employer 16:9,18
19:24 28:4,18,25
29:17 30:24 46:18
102:10

employment
29:18

end 21:13 36:21
40:16,22 53:16
114:16 120:23
123:14 160:4

end-recently
164:10

end-to 164:10

ended 121:23

enforced 143:1

engaging 67:22

enlarge 92:22

enter 144:2

entered 151:7

entire 29:6 42:4

entitled 29:16

equal 25:23 26:1

equate 51:13
83:18 97:8

equates 26:8 41:2
57:22 97:3

equipment 7:21
127:25

equivalent 19:5
22:1 31:20 32:12
35:15 36:3,4
37:18 73:11 154:8
156:23 157:19
160:8

error 107:2,4,6,8,
21,22 108:3,4,5

errors 107:10,18
108:8 114:15

ESQ 3:3,7,11

essentially 28:6
49:23 50:8 84:5,
12 93:16 94:13
114:8 120:4,20
133:23 141:10,21
143:3 155:14
156:5 158:22
159:20

established 83:1,
8

establishes
103:20

establishing
59:7

estimate 97:2
101:2 163:16

evidence 41:25
43:13 54:5 56:7,9
61:21 62:7,9

64:14,17,19 68:2,
9,11 70:17 89:3
96:1,2,3 122:12,
17,23,25 123:1
133:22 134:5,14,
18 139:12,14,16
140:19 142:6
144:19 145:21
147:15,17 148:15,
17 149:8,12,16,23
150:4 151:1,8,16,
18,25 152:1,4,7
162:17

Ex- 64:21

exact 13:21 21:14
25:23 119:25
126:14

EXAMINATION
32:21 46:13 78:8
80:18 96:13 102:7
132:6 153:1 161:5

examined 152:24

exceeded 29:5

exception 110:6

excerpts 5:3
70:25 71:4,9,13

executive 45:17
46:21 47:4

exempt 12:10

Exh 4:13 5:2

exhibit 12:20,21
33:7 34:5,25
35:24 37:3,4 39:5,
22 52:20,23 54:5,
10,25 55:4,8,12
56:3,8 60:2,3,15
61:21 62:8,11,13,
21,25 63:15
64:14,18,22,23
65:13 68:2,10,25
69:1 70:2,3,6,7,8,
17,21,25 71:12,16
72:6 73:19,22
77:9 78:3,6 87:5,9
92:2,10 96:23
97:16,18 104:11,
14 114:23,24,25

115:8,10 116:7
117:17 121:10
122:12,16,22
123:1 126:23
127:1 131:20
132:2,23 134:3,
18,19 135:21,25
136:1,6,25 137:7
138:1,5,21,22
139:1,6,11,21
140:7,8,16
141:20,24 143:23,
24 144:1,2,5,12,
18,20,21 145:1
146:18 147:14,15,
16 148:14,16,24,
25 149:2,10,13,
15,25 150:3,12,
14,24 151:7,17
152:3

exhibits 44:10,11
54:12,16,23 70:4
100:19 129:12
133:19,22,23
134:6,9 136:15,23
139:9,15 144:17
146:12 148:22
150:13 151:1

expect 21:9 107:8

expectation
107:22 155:20

expected 108:14

expecting 108:3,
4 145:18

experience 9:24
32:10 74:23 75:5,
16 90:1

expert 30:13
95:13

expertise 89:13

explain 15:23
24:3 25:5 33:13
96:1 153:21,24

explaining
135:12 157:6

explanation 27:1

explicit 7:16
explicitly 8:22
10:17 12:14
expressly 9:14
extent 135:22
extra 17:24 28:10
118:18 133:11
extrapolate
90:16 93:16,18

F

face 77:19 90:12
141:13
facilities 81:13
fact 9:19 19:3 30:1
factor 24:5,13,14
25:5,8,9,12,16,17,
24 26:11 27:11
41:1,11,12 50:14,
24 51:6 52:2,13,
16,17 58:11 59:22
66:5,22 67:1
74:13 76:22 78:11
88:9
factors 24:3,4
58:2 61:3,5,22,25
62:1 63:24 64:1
73:20,21 74:11
77:2
facts 141:19
fair 44:3 66:15
fairly 18:7 72:18
76:20
familiar 53:2
58:13 65:18,19
103:19 125:11
far-right 93:1
favor 165:20
February 14:12,
14,17 15:3 120:22
feedback 82:4
feel 43:6

field 39:16 74:15,
18
figure 41:4 44:1
99:20 110:6
119:18 121:3,7,
14,19 154:10,13
figures 99:2
105:19
figuring 164:22
file 52:21 54:19
55:2 62:12 63:14
64:22
filed 42:19 144:6
files 65:20,21
fill 30:24
filling 30:22
final 20:21 23:3,17
24:3,5,8,24 25:1,8
27:15 70:25 71:2
97:16 106:3 165:7
finance 81:11
financial 80:24
81:3,4,9,14 84:16
90:22
financially 85:19
find 10:8 11:2
33:5 44:21 136:24
finding 12:16
13:2 19:14 20:2
32:11 74:16 96:19
97:21 104:17,20
106:2 107:3
108:13,20 148:10
153:11 155:9
156:1
findings 69:18
fine 100:23 163:4,
7 164:15,18
finish 94:25
100:24,25 148:22
fiscal 13:4 57:7
58:1 78:12 102:23
fits 165:17

five-minute
146:7
fiver 145:23
fix 42:6 107:17,22
108:15 110:8
fixed 54:15 107:9
108:8
fixing 108:7
110:11
FLSA 66:15
folks 31:17
follow 143:9,11
follow-up 130:10
force 16:5
foreign 74:19,20
forgot 33:6
form 118:5 119:1,
8
formula 11:5
12:16 21:18 26:25
27:10 29:23
140:13
forward 107:23
108:8 109:1 157:4
158:21 162:3
foundation 60:14
Friday 2:18 6:1
164:23 165:7
FSLA 68:5
FTE 117:15
full 2:7 5:3 21:1
22:9 25:18,19
26:4,12,18 27:8
28:1,3 30:18 71:7,
13 93:17,18
full-time 8:16
21:1 22:1 28:9
30:19,21,23,24
32:12 37:18 40:6
119:9 122:1 126:9
132:16
Fullerton 102:20

fund 17:6 28:25
29:18
funded 47:15
funds 28:20 30:12
future 108:4,6,16
109:1 158:4

G

G-A-R-Y 46:8
gain 104:24
Gary 4:7 45:6
46:1,8
general 28:15
36:13 47:3 81:8
103:2
generally 31:14
32:8 38:7 72:24
generate 28:4
30:7,10
give 11:12,23
13:23 18:1 49:24
50:1 54:6,21 55:9,
24 58:5 62:16
65:2 71:11 84:19
85:24 90:18 91:1
96:21 99:2,4
105:11,12,18
106:15 117:13
122:19 126:24
129:9,13 136:4
137:13 163:15,18
164:19
Glauberman 3:3
6:12 21:7 32:17,
18,22 35:7 36:25
37:2,5 38:14 39:1
41:6,18,22,25
42:1,14,17,22
43:2,4,9,16,22,24
44:3 56:5 62:5
64:16 67:5,7,10
68:4,15,16,19,23
69:2 70:1,6,12,15,
17,20 71:18,20
73:17,23 75:3,7,
11 76:17 77:5,10,

23 78:14,21,22,25
79:6 88:17,19,21
89:2 91:16 92:1,5,
7,11 94:2,3 95:9,
10,21 96:5 97:25
98:19,22 100:2,3,
6 104:15 122:14
123:5,6,9 124:6,
12,24 125:1
126:17,22 127:2
129:9,15 131:13
135:5,8,9,17
140:18,20 141:1
144:25 145:21,22,
25 146:3,9,11,19,
23 147:1,4,7,19,
21,23 148:2,8
149:4,9,18 150:6,
14,17,20 151:12,
14,15,24 152:8,9,
16,18,20 153:2
154:1 161:3,6,16
162:17,18,23
163:3,4,8 164:7,
17,20,25 165:3,
10,15,24

good 6:6,11,12,13
7:7,8 31:1 45:7
46:15 79:12,15,16
80:20,21 92:24
101:14,15 133:20
139:20,21

Gotcha 128:19
130:16

government
5:13,15 8:23 9:1
21:2 25:17,25
26:11 40:6 135:1,
18 136:1,3,6,11
137:8 138:3

gre- 164:11

Great 44:23

green 117:17

group 85:1 89:12,
16 90:18,25
140:24

groups 85:2
89:14,15 90:2,6

guess 35:8 74:3
75:19 108:2

guidance 86:12,
15 142:22 143:11

guys 22:20
130:25 157:14

H

half 31:18 105:11
117:18 120:22

hand 55:7

handle 106:24

handling 103:8
153:9

handouts 63:7

happen 165:19,20

happened 16:16
38:5 61:10 67:13
139:23 143:3

hard 45:13 53:15

hear 45:13 53:15
82:5 163:13

heard 2:19

hearing 4:15 6:6
15:16 53:8
149:18,20

hearings 142:11,
12

hearsay 94:18
95:12,25 96:3,4
97:11

heavily 59:7

helping 114:14

helps 61:8

high 20:22 27:14
31:21 102:20

high-level 27:1

higher 17:11,13,
15 18:22 19:6,9,
16,17,18 20:16,
20,23 28:16,22

30:8,20 31:11
83:11 93:14
108:10 109:4,6,7,
11,12 155:17
156:9,20

higher-ended
156:9

highest 24:10,19

highlight 92:14

highlighted
71:23 119:14

highlighting
69:11 128:1

hinged 25:12

historic 5:17,19
135:2 138:2,23
139:2,7

history 4:17
147:10

hold 79:19 143:25

honest 74:9

honestly 69:22

Honor 6:12,13
12:1 16:6 18:13
20:6 22:23 23:11
24:23 29:11 32:18
36:25 37:3 39:2
41:18 42:11 43:5
44:6,10 54:4 56:6
61:20 62:6 64:13,
16 67:10,11 68:1,
6,16 71:18,19
75:7 78:14,22,25
79:9 92:7 95:21
96:5 98:1,22
99:10 100:3,6,17
102:5 113:6
115:25 117:16
122:11,14,19
123:4,6 124:24
131:14,17 133:21
134:13 136:18
139:18 140:24
141:16 143:25
146:5,14,23
147:1,4,13,19
148:2,20 149:6,22

150:6,15,20 151:5
152:6,9,18 155:2,
5 161:16,17
162:15,18,22,24
164:7 165:10,24,
25

hoops 43:1

hoping 18:19
21:4 104:13
136:18 137:4
162:21

host 59:9

hour 11:3 12:7,11,
17 19:8,9 22:2,6
36:3,9,11,12,18
89:21 93:2 101:4
118:13 124:1
126:9,15,21
133:13 159:3

hourly 7:11,17,18
8:4,12,18,21,24
9:7,15 10:9 13:7
15:7,14 26:7,10,
13,15 32:13
33:12,15 36:18
41:2 48:25 49:3,
10,21 50:4,10,25
51:6 52:2 58:3,11
59:22 61:3,4,7,13,
25 63:21,24
66:17,23 82:15,
18,20 83:6,10,18
86:7,21 89:9,11,
16,20,25 90:8
91:7 92:21 93:8,
10,12 94:12
103:11,17,21
104:2 109:22,25
110:19,20 111:5,
6,9 117:3 118:12
123:14,23 124:3,
13,18 125:3,20,23
126:1,10,18 127:9
128:17 129:2,6
131:6 132:25
133:14 153:17,19,
20,23 154:21
156:24,25 157:11,
15,17,24 158:9,
12,13,14,21,25
159:9,13,21

160:16 161:7,14
162:1
hours 5:11 8:3
10:5,25 11:8,11,
18 12:4,5,7 14:17,
21 26:13 28:7,11
30:22 31:18 32:6
35:22,23,25 41:2
50:3 53:24 55:22
56:1 57:19,22,24
62:3 72:19 73:11,
12 75:25 118:13,
14 119:15 126:9,
15 129:1 132:16
133:11 159:17,24
160:1,4,11,14

HR 113:23,25
115:6 116:24

hundredths 38:8

I

idea 41:3 89:17
90:1,4 110:8

iden- 107:21

identical 15:3

identification
56:4 60:16 62:21
63:1 65:9,14
71:17 116:4,8
139:16 147:17
148:17 149:16
150:4 151:18
152:4

identified 109:12

identifies 107:2,
20 108:19 118:22

identify 8:11 57:2
70:10 108:3
110:16

II 2:10

immediately
104:21 144:25

impact 20:18,20
37:23 83:19
84:13,16,23

85:12,16,18
90:22,25 108:22,
24 109:16 156:1

impacted 155:24

impacting 84:10

implement 84:14

imposed 141:15

inaccurate 35:18

inaudible 144:24

inch 117:18

include 74:12
141:2 156:5

included 13:15
77:21 137:2
148:11 154:4

includes 24:12,16
25:2 81:11,15
103:4 138:2,13

including 13:17
113:19 138:3,19

inclusion 88:4

inconsistency
15:22

incorporate
82:11

incorrect 9:23
86:7

increase 21:5,24
22:12 31:15,22
32:4,13 83:23
84:3,8,10 85:1,2,
13,14 90:18,21
91:7 93:20 94:14
97:5,7 103:7
105:14,15 106:10,
12,17 109:17
111:2,9 120:11,
12,25

increased 21:9
122:6

increases 29:15
31:24 85:15 112:6

increasing 17:22

83:17 85:6,21
105:6 109:21
110:13,17

increment 8:4,6
12:8,17 36:8,9,22

indefinite 158:4

index 44:17,18
54:8 144:13,14,15

indicating 69:10
71:23 92:15 128:1

individual 65:23
66:2 67:18 92:17
98:16 123:14
124:14

individually
134:25

individuals
153:20

industry 59:19
64:11

inform 88:8
114:18

information 5:6
15:1,9 33:11
39:17 48:3,6,13
50:16 53:20,21
57:8 61:9 64:10
86:16 115:18
116:5,23 141:20
142:24 155:10

informing 63:20

inherited 164:9

initial 149:5

initially 26:19
150:21 157:9,13

input 86:25

inquire 148:4

instance 156:10

intended 137:17

interference
70:18

internal 38:10
57:1

interrupt 146:4

interrupted 76:10
93:24 94:23
156:12

introducing
135:12

investments
30:14

invite 59:15
130:20

involve 47:11
141:2

involved 58:17
59:7 141:9 153:6,
8

involvement
58:20 81:22 104:3
113:19

involves 154:24

Irvine 3:13

issue 30:21 51:3
65:22 108:20
140:2 141:8
148:10 153:12
160:3 165:14

issued 141:25
142:2 143:1

issues 4:14,16,19
35:11 42:4,8,13,
19 47:18 81:14
135:10 146:15
147:24 148:6
149:5,19

item 4:17 147:11
150:19

items 48:21 65:25
147:3,11

J

JACQUELYN
3:11

Jacqui 96:24 97:1

Janua- 105:24

January 13:11

14:5,14,16 15:3
105:25 111:16
121:23 131:12

Johnson 2:21

163:15 166:2

Joint 102:20

JOSHUA 3:7

Judge 2:4,20 6:5,

14,24 7:3 9:11,18,
20 10:10 11:10,
12,15,17,20,23,25
12:2 13:23 14:1
15:24 16:4 18:1,8,
14 20:7,10,13
21:8,19 23:9,12,
21 24:16,21,24
25:7 26:3,23
27:19 29:2 31:9
32:5,15,17 34:18
35:6 37:1,25
38:13 39:3 41:16,
20,23 42:12,15,
21,23 43:3,8,15,
19,23,25 44:4,8,
13,17,21,24 45:2,
7,11,16,19 46:3,6,
10 48:12 49:24
50:1,6 51:9,12,17
53:7 54:6,7,18,21
55:3,6,14,17,19,
24 56:4,7,9,16
58:5 60:4,8,12,16,
18 61:22 62:4,7,9,
14,17,20 63:1,16
64:15,17,19,24
65:2,6,9,14 66:6,8
67:8,15 68:3,7,11,
14 70:5,9,13,16,
18,21 71:2,6,9,11,
17 75:2,4,9,23
76:2,5,7,9 78:1,4,
16,18,21,23 79:1,
7,11,13,15,17,21,
23 80:1,7,10,14
82:6 83:25 84:19,
22 85:5,8,10,17,
21,24 86:1 88:17
91:1,3,6,10,13,15
92:4,6 95:24
96:10,21,25

97:10,13 98:3,20,
24 99:4,7,12,16
100:1,4,8,11,16,
22 101:5,7,10,14,
16,21,24 102:3
105:11,18,22
106:1,5,8,15,20,
25 112:22 115:7,
11,15,19,22
116:3,8,14,17
117:12,20 122:6,
10,13,15,17,21,25
123:2,5 124:6,17,
23 126:5 131:16,
18,21,24 132:1
133:17 134:2,8,
12,16,20,23
135:23 136:2,8,
11,14,21 137:6,
10,13,20,23,25
138:8,10,12,14,18
139:10,17,23
140:5,14,22
142:7,14,18
143:13,18,20
144:10,16,20
145:6,11,20
146:1,4,8,10,17,
22,24 147:2,5,14,
18,20,22,25
148:15,18,21
149:7,10,12,17,
21,23 150:5,11,
16,18,24 151:9,
14,16,19,23,25
152:5,7,11,15,19,
24 154:3,10,13,
18,20,23 155:3
157:21 161:3
162:16,19,25
163:9,15,19,21,25
164:4,19,21
165:7,11,16 166:2

judic- 139:4

judicial 133:24
141:16

June 5:7 60:7
61:17

JUSTYNE 2:21

K

keeping 111:18

Kevin 4:3 7:1

129:24 130:8
152:10,22

kind 8:15 11:6

18:6 24:10 38:17
48:13,14 101:1
103:6 112:6
114:3,14,15 126:5
127:20 133:12
135:11,20 137:2
140:23

kinds 111:17

knowing 89:13

knowledge 51:1

52:10 53:25 59:19
61:16 77:18 82:22
86:19

L

Labor 66:15

land 104:13

language 10:12

72:2 105:4

Lau 4:3 6:14 7:1,7

8:9 9:12 12:23
16:5,8 18:17
19:13 20:9 23:2,
12 27:25 31:10
32:23 39:1 41:16,
19,21,24 129:24
152:10,16,22
153:3 155:9 158:2
161:9,21

law 2:4,20 6:5,14,

24 7:3 9:11,18,20
10:10 11:10,12,
15,17,20,23,25
12:2 13:23 14:1
15:24 16:4 18:1,8,
14 20:7,10,13
21:8,19 23:9,12,
21 24:16,21,24

25:7 26:3,23
27:19 29:2 31:9
32:5,15,17 34:18
35:6 37:1,25
38:13 39:3 41:16,
20,23 42:12,15,
21,23 43:3,8,15,
19,23,25 44:4,8,
13,21,24 45:2,7,
11,16,19 46:3,6,
10 48:12,21 49:24
50:1,6 51:9,12,17
53:7 54:6,18,21
55:3,6,14,17,19,
24 56:4,7,9,16
58:5 60:4,8,12,16,
18 61:22 62:4,7,9,
14,17,20 63:1,16
64:15,17,19,24
65:2,6,9,14 66:6,8
67:8,15,23 68:3,7,
11,14 70:5,9,13,
16,18,21 71:2,6,9,
11,17 73:6,10,14
75:2,4,9,23 76:2,
5,7,9 78:1,4,16,
18,21,23 79:1,7,
11,13,15,17,21,23
80:1,7,10,14 82:6
83:25 84:19,22
85:5,8,10,17,21,
24 86:1 88:17
91:1,3,6,10,13,15
92:4,6 95:24
96:10,21,25
97:10,13 98:3,20,
24 99:4,7,12,16
100:1,4,8,11,16,
22 101:5,7,10,14,
16,21,24 102:3
105:11,18,22
106:1,5,8,15,20,
25 112:22 115:7,
11,15,19,22
116:3,8,14,17
117:12,20 122:6,
10,13,15,17,21,25
123:2,5 124:6,17,
23 126:5 131:16,
18,21,24 132:1
133:17 134:2,8,
12,16,20,23
135:23 136:2,8,

11,14,21 137:6,
10,13,18,20,23,25
138:8,10,12,14,18
139:10,17,23
140:5,14,22
142:7,14,18
143:13,18,20
144:10,16,20
145:6,11,20
146:1,4,8,10,17,
22,24 147:2,5,14,
18,20,22,25
148:15,18,21
149:7,10,12,17,
21,23 150:5,11,
16,18,24 151:9,
14,16,19,23,25
152:5,7,11,15,19,
24 154:3,10,13,
18,20,23 155:3
157:21 161:3
162:16,19,25
163:9,15,19,21,25
164:4,19,21
165:7,11,16 166:2

laws 67:2 111:19

lay 60:13

lead 88:1

leading 98:19,23,
24

leads 134:20

learn 74:1

leave 100:15
162:2

left 42:2 74:15,18
118:16

left-hand 39:9
117:8

legal 50:23 52:1,4
58:9 59:21 86:10

legislative 4:17
58:24 76:25 77:1
135:13 147:10

legislatively 59:6

letter 5:12 37:7
41:5,8 64:25 65:1,
11 66:1,3,9,10,14,
20 67:12 77:20,21
86:23 87:17,19,24
88:7

letters 65:22

letting 88:22

level 21:9 23:23,
25 27:14 29:21
108:11,16 158:22
160:20

liaison 48:2 86:12
114:9

lid 79:22

limited 108:22

lines 65:10 101:6

list 54:10 55:4,12
57:16 127:8,21
128:8 144:1,21
147:2 148:25
150:13,14 155:24

listed 30:5 53:10
54:2 61:14 69:3
73:2 130:23 135:4

lists 43:17 61:24
73:20

lit 6:23

litigated 141:5,9

litigating 104:4,
18

litigation 139:19

locally 52:7

logical 10:19

long 46:22 49:2
50:12 81:2 82:19
102:15 103:13
110:1,24

longer 14:16
82:25

longevity 13:15,
16,17 14:4,9
25:22 34:4 35:13
99:6 120:25
121:2,19 122:6

looked 7:19 23:17

lot 59:13 82:25
86:16 88:22
107:11 122:24
130:13,14

low 32:6

lower 153:23
158:24 159:9,21

lowering 160:2,9,
24

LOYA 3:6,10

lunch 100:19
101:9

M

M-- 60:20

ma- 114:14 145:22

made 43:12

mail 164:25

maintain 89:8

maintaining 86:6

maintains 89:4

maintenance
81:11

major 81:14

majority 13:8

make 10:22 27:2
33:10 37:23 42:5
43:25 45:12 48:7,
17 66:16 83:16
87:14 91:3 108:15
111:18 123:10
135:7 136:15,23
139:6 154:25
164:15

making 48:5 99:8,
13 108:3,5,8
114:11 149:1
155:21 158:15

managed 82:23

management
81:19

manager 47:2
153:7,10

manual 60:9

mark 129:14

marked 4:13 5:2
56:3 60:15 62:25
65:13 71:16 116:7
139:16 144:17,18
147:16 148:16
149:15 150:3
151:17 152:3

match 151:11
160:10

matched 25:21

material 61:19
63:10

materials 5:8
59:17 60:11,24
62:22

math 11:5

math- 11:4 12:16

mathematical
10:20 11:5 12:14,
16

matter 2:7 6:8
12:8 42:13 123:20
159:1

means 25:4 27:10
99:19 118:24

meant 105:13
124:11

meet 110:9
123:18 124:1
161:8

meet- 110:5

meeting 103:5
123:16,20 130:11
131:5,10 141:22

meetings 48:19
88:23 104:7 110:5
111:14 125:18
130:15

member 10:5
20:25 22:4,11
26:16 27:16 31:21
32:12 33:17,23,24
34:16,25 35:24
36:5,9,10,15
58:22 59:14
81:17,24 82:8
153:16 159:2,16,
24 160:3,10

member's 160:24

members 24:6
26:25 29:22 59:10
63:20 155:24
160:14

membership
64:8

mentioned 47:14
59:2 112:13
113:20 130:16

mess 54:9 55:2
148:25

method 34:24
49:2 61:12 64:5
110:10,12,25
125:8

methods 37:10
61:14 63:20

mi- 87:8

middle 40:24

million 91:9

mind 28:3 41:11
139:20 151:10
165:22

mine 12:24
148:25

minimum 90:23
155:25

minus 14:4 99:6

minute 122:19
154:4

minutes 44:25
141:21 145:9,12
146:6 152:13

Miss- 80:15

misses 7:24

misspoke 75:8

misstates 98:2

mistake 124:8

mister 22:25 87:8
124:6

mix 135:20

Mm 97:24

Mm-hmm 11:24
21:11 130:18

mo- 49:23 122:1

money 16:11
28:17,20,23 29:8
107:14

month 5:11 13:11,
17 14:5,8,11,16,
20,21 22:2 26:1
28:1 34:11,19
35:22 40:11,14,
19,22 48:19,20
50:19 55:23 56:1
57:14,24 62:3
72:8,13 73:11,12
74:17 89:21
94:12,14 105:21
111:24 125:11
126:20 132:17
154:9

month- 122:2

monthly 7:10,17
8:13 9:2 12:10
13:7,9 14:19 15:2,
7,12,14,18,20
19:4,5,19 25:14,
16 30:18 33:1,12,
15,20,25 36:3,4,
16 39:11,15,19,20
40:1,4 41:3 49:15,
16,18 50:2,9
82:15,18,20 83:6,
9,11,18 86:7,21
89:20,25 91:7,11
93:9,14,19,20
94:13 103:11,17,
20,25 105:6,20

109:5,13,18,21,25
110:13,17,19,20
111:3,9 114:6
117:4,5,9,10,19
118:1,6,9,11,23,
24 119:2,3,17,22
120:7 121:5,6
122:1,2 124:1,19,
22 125:21,23
126:1,3,8,16,19
127:10 128:18,22
129:5 132:9,20
153:16 154:7
155:19 156:6,20,
21 157:2,18
158:8,16,22
159:14,19 160:17,
20 161:7,8 162:2

months 8:1 22:20
24:7,9,11 25:18
26:1 27:4 33:24
34:8,9,13,22 35:1,
17 36:5,6 38:24
40:6,16,21

months' 24:19

Morenz 3:11 6:18,
21 12:20 18:5
34:6 39:4 44:6,15
45:4,5 46:10,11,
14 48:23 49:25
50:7 51:9,11,16,
19 52:19,24
53:12,18 54:4,13,
19,24 55:5,11,16,
18,22 56:10,11,18
58:7 60:1,6,10,17,
19 61:20 62:10,
15,19 63:2,3,17,
18 64:13,20 65:1,
5,8,15 66:13,19
67:16 68:1,12
70:23,24 71:4,7,
10 78:1,2,5,9,17,
20 79:9 80:15,16,
19 82:13 86:2
87:4,7,10 88:15
96:10,11,14,23
97:15,19 98:11
99:3,5,15,24
100:7 104:10
131:19 144:8,13,
18 145:15

morning 6:6,11,
12,13,23 7:7,8
44:14 45:7 46:15
79:12,15,16
80:20,21

Morrison 3:7
6:13,17,20 7:6
12:19,22 13:24,25
14:2 16:1,3,6,7
18:16 20:6,8,12,
14,15 21:12
22:13,23 23:2,7,
11 27:20,21,24
29:10,12 31:8
39:2,4,23 41:15
44:5,9,20,23
99:10 100:16,17,
25 101:6,12,13
102:4,5,8 104:10
107:1 112:24
113:3,6,12 114:22
115:1,9,12,17,21,
24 116:9,10,16,18
117:16,21 122:11,
18,22 123:3
131:17,18,19,22,
25 132:3,7
133:15,18,19
134:4,11,13,17,
22,24 135:15,18,
25 136:4,9,13,18,
25 137:7,12,15,
22,24 138:1,9,11,
13,16,19 139:18,
24 140:6,16,21,23
142:9,15,20
143:14,19,22
144:12,22 145:4,
8,14,16,24 146:5
147:13 148:4,13,
19 149:11,22
151:4,5,11,20
152:2,6 155:3,5,8
156:16,18 158:1
161:2,17,20
162:14,21 163:7,
12 164:3,15,24
165:6,9,25

Morrison's
106:21

move 54:4 61:20
122:11 142:5

moved 122:23

moves 95:21

moving 107:23

109:1 121:10

157:3 158:21

162:2

multiple 63:20

64:1

multiplication

158:15

multiplied 21:16

multiply 158:9

mute 82:7 88:18

N

N-A-M 102:1

N-G-U-Y-E-N

102:2

Nam 4:9 94:8

101:13,19 102:1

name's 46:8

nearest 38:11

necessarily

29:17 40:10 162:9

necessitate

17:13,14

needed 142:23

negotiate 82:2,10

83:15,22 84:2

159:9 160:6 162:1

negotiated 36:13

52:7 72:21 83:12

160:15

negotiates

161:23

negotiating 52:7

81:22

negotiation

83:14 162:7

negotiations

72:24 73:3 87:21

88:5 162:7

negotiator 88:1

net 21:20

Nguyen 4:9

101:13,14,15,19
102:1,9 104:16

107:2 113:4,13

115:2 116:11,19

117:22 123:10

129:16 131:15

132:8 133:17

night 54:15

non-hearsay

96:1,2

normal 9:2 29:22,

25

note 39:13 95:24

notice 4:15 5:21,

22 42:3,5,11

43:11 100:20

133:24 135:4

136:16,17 137:3

139:5,9,11 140:15

141:16,17 142:3

143:21 144:4,9,10

145:1,2 146:14,

20,25 147:3

149:18,20 150:2,

7,22 151:7,22

Nov- 165:8

November 165:8

number 10:1 14:8

25:6,8 26:14,23,

24 27:11 38:11

47:5 52:21 53:23,

24 54:16 57:10,

14,19,22,23 62:1,

2,12 63:14 64:22

70:14 72:8,17

73:12 74:24 94:5,

15,19 98:6 104:17

107:3 109:4,7,13

115:10 118:15

121:15 132:12,17

133:19 140:10

150:1,12 153:11

159:24

numberings

145:7

numbers 54:11,

14,19 56:24 57:11

72:23 149:25

O

OAH 2:9 142:3,4

oath 6:16 45:21

80:2 101:17

object 67:11

97:25

objection 21:7

62:5 64:16 67:5,9

78:14 98:19,22

122:14 147:13

148:14 149:11

151:24

objection's 68:8

objectionable

98:4

objections 56:2,5

60:12 62:4 64:15

68:3 122:13

149:10,21 151:14,

23

objective 39:18

observation

32:11

observe 79:3

100:12

OCDE 46:18,20

47:15,16,19,24

50:12 51:3 52:1,3

65:22 66:4,21,25

67:17,22,23,24

76:14,15 86:19

88:8 104:8 113:18

October 164:16,

23

offered 161:9

offering 63:25

office 47:19 63:11

75:8 86:11 88:3

104:8 111:15,21

112:15,18,19

113:1,8,14,21

129:25 142:11

officer 81:1,3,4,9

official 5:21 42:3,

4,11,24 43:10

58:9 100:20

133:24 135:4

136:16,17 139:5,

8,10 140:15

141:17 143:20

144:4 145:1

146:14,20,25

147:3 150:2,7,22

151:7 163:24

officials 58:14

59:3,8

offset 21:13,19

older 136:19,22

137:3 138:21

one's 126:21

one-month 93:17

online 44:7

opening 163:10

operations

81:10,12 84:17

opinion 67:13

opposed 76:3

option 27:18

111:2

options 19:2

27:17 111:3

123:22 125:15

Orange 46:16

57:4 58:1 75:8

78:11 112:13,15,

18,19,25 113:1,

14,22 114:17

order 29:18

123:25 142:4

163:23,24

ordered 163:16

organization

58:18,21 59:1
64:8

organizations

111:24

original 148:5

overruled 68:8

oversee 47:5

81:10 103:3

overseeing 103:4

oversight 47:22

113:21

overtime 36:15,

20 91:17,23
128:23,25 129:1,3
133:11 157:17

P

P-E-L-L-E-R-I-T-I

116:2

p.m. 2:18 166:4

pa- 147:21

Pacifica 3:12

pages 43:12

149:14 166:2

pagination 145:2

paid 8:21 13:22

14:24 15:2,10,14,
20 17:7 18:23
29:7 33:1,14,15,
17,20 34:9,16
35:3 36:10 39:10,
25 40:4 84:25
93:19 97:22
98:13,17 99:3,7,
17,20,21 106:13,
18 119:3,6 122:2
124:14 126:20,21
128:15,17,18
129:6 132:15
155:1 159:2

par- 81:25

paragraph 71:22

parallels 143:15

parameters

91:19

pardon 6:18

96:25

parse 8:15

part 13:2 18:24

19:2 21:18 26:20
42:24 72:9 83:12
106:3 125:13
135:9 156:8,19
158:2 162:6

part-time 32:2

participant 81:15

participates

81:25

parties 2:16

parts 40:15

party 153:3

pass 48:7

passed 147:12

past 72:16 90:16

108:15 135:3
148:12

pate 19:19

pause 24:14 45:1

152:14

pay 5:5 7:17,22

8:2,6,12,13,16,17,
18,22,24,25 9:3,7
10:8 12:8,9,17
13:5 15:17 17:13,
15,24 19:17,18,
23,24 22:19,21
25:22 28:25 30:2,
5 32:13,25 33:6,
11,12 34:5,20,21
36:9,12,16,18,20,
22 39:20 48:25
49:15,17 58:11
59:23 61:13 63:24
64:1 66:5,23
82:20 83:10,17
85:3 89:4,9,19
90:8,15 91:11

93:14,15,20 94:6,
13 98:8 107:14

109:3,22 110:17
111:3,9,10 112:11
115:5,17,19
116:5,23 117:8,13
120:12 124:13
126:12 129:5,6
131:5,6 132:20
133:8 153:19
157:15,16 160:5,9
161:11 162:12

paying 7:23 12:11

14:19,20 15:6,7,
18 17:3 19:25
22:15,16 98:15
126:15,18 159:1

payout 29:4

payrate 2:7 6:9

7:10,11,12,17,18
8:13 9:2,15 13:6,
12,16 14:3,14
16:8,10,12,23
17:10,15,18,19,22
18:3,21,22 19:4,5,
10,12,15,16,17
20:3,17,21,23
21:5,15 22:1,6
23:15,16,17,22,24
24:4,12,16,18
25:2,3,11,13,14,
16,21,23 26:7,16
27:4 29:15 30:9
31:11,19,20,22
32:12 33:25 34:6,
7,14 35:14,15,16,
17,18 36:16,19
49:10 50:25 51:6
52:2 58:3 61:23
63:21 85:11,13
108:9,15 109:12
123:13,14,23
153:16,17,23
154:7,16,22
155:17 156:9,11,
15,21 157:9,18
158:3,8,16,22,25
159:3,6,9,13,14,
19,21 160:2,10,
16,17,20 161:7,8

payroll 5:7,9 13:9

39:18 47:7,22
48:19,21 53:22,23

60:6,23 62:5,15,
23 63:8 81:12
103:3,5,6 112:1
113:23,24 114:1,
6,16 117:11

pays 8:5

PDF 43:16

PE 7:21 127:24

128:14

Pelleriti 5:6 7:24

14:7 21:23 22:15
28:8,21 30:5 31:2
39:15 107:7
115:6,18 116:5,24
117:3 118:5
119:2,9 132:15
133:9 155:17
156:2

Pelleriti's 7:20

26:22 31:10 39:14
155:10

Pelri- 115:5

pension 17:3,6

21:6 22:16 23:23,
25 26:22 28:16,
22,23 29:1,6,16,
19 30:12 31:12,23
32:14 38:21
111:23

people 128:22

155:1 163:16

perceived 153:22

percent 27:1,9,

11,12 29:23 84:12
90:15,20 91:10,11
93:5,19,21 94:4,9,
14,15,18 96:15,17
97:3,5,7,11 98:14

Perfect 56:17

90:13

period 17:8 24:10

39:10 52:11 72:3,
14 93:17 117:9,13
155:24

Periti- 116:24	pointed 67:3	prefer 79:4 100:12 147:8	49:25 77:25 88:20 164:12
permissible 162:8	points 135:2	preferably 107:25	problems 42:7
perpendicular 160:3	portion 120:18 134:17	present 59:16 111:4 153:10 162:20	proceed 10:12
PERS 29:3 51:15 86:13 99:17,18,21 105:13 106:9,16, 17,21 107:2 110:7 148:22 149:2	position 7:20 9:13 10:4 18:21 28:12 46:20,23,24 47:1 67:14 68:21 74:6 81:2 102:12, 16,22 117:15 128:14 131:1 154:23 161:11	presentation 60:10,24 61:10,17 63:7	proceeding 132:23
PERS's 165:20	positions 9:25 127:21 128:9 130:22	presentations 59:13	proceedings 2:16 45:1 152:14 166:4
persists 10:10	possibility 159:15,16 161:22	presented 59:18 63:8 64:6 111:8, 12	process 19:1 47:22 83:13 88:5 114:16
person 7:21 93:4, 17,19 104:5 108:22 127:25	post-hearing 163:5	presenter 61:14 63:25 64:2	processed 16:17
personnel 104:8	potential 140:11	presents 59:12 61:4	processing 47:8
perspective 32:25 33:14 42:2 159:7	potentially 16:24 40:21 85:15 138:1 143:7 156:7 163:14	pressure 85:2	professional 59:4
pertains 114:4	practice 50:13 67:18,22 82:20 83:1,2 84:6 85:3 86:5 90:16	pressured 84:9	programs 47:5
phone 130:11,13, 14 157:7	practices 59:7,19 64:10	pretty 7:22 16:13 24:19 89:4 90:17 153:8	proof 4:16 149:19
phonetic 6:9 65:8 81:18,20 155:10	Praveen 5:10 53:5,10 55:13	previous 122:9 128:8,15	proposed 142:4
piece 63:10	pray 6:9	previously 146:16 152:23	provi- 16:11
placement 118:8	pre- 60:10	primarily 86:11, 17	provide 47:9 48:9 62:1
places 38:9	precedential 141:2,17,25 142:8,16	primary 59:4 104:5	provided 19:1 38:4 47:6 142:22
play 26:21 113:15, 18	precipitated 69:17	principle 28:15	providing 28:2 47:24 95:14
pleading 43:17 146:21 150:9	precisely 9:8 29:20 158:24	printed 54:9 149:1	public 2:2 3:2 6:7 48:7 141:6
plenty 100:23	predecessor 65:21 87:20	prior 47:1 51:3 86:3 102:18 112:9 120:20 125:10 137:8,15,16 139:13	publication 62:18 141:18 142:24
PO 3:4		privy 39:17	pull 12:24 39:4 52:19,20 60:1 64:21 79:22 87:4 92:2 114:23 117:10 131:19
po- 29:5		problem 10:20 12:15 42:23 44:16	pulled 53:21,22
point 7:14 16:23 17:2 20:1 21:14 32:7 54:23 67:24 87:21 93:13 96:2 98:6 99:10 104:24 105:2 107:15 113:6 114:17 135:7 141:1 145:18			pulling 104:11
			purchasing 81:12
			purely 14:24 19:21 159:6

purposes 19:21
37:17 92:18

pursuant 21:2

put 8:1 55:20
129:14 163:23

putting 143:16

Q

ques- 19:13

question 8:11 9:5
10:10 16:19 18:17
19:3,14 20:13
23:22 24:21 27:20
28:19 29:11 31:9
40:2 51:10 66:10,
11 67:22 78:2
95:1,3,7 98:2,4
99:16 106:21
108:2 112:23
124:7 132:22
133:7,8 156:17
159:4 161:17
165:18

questions 23:8
31:8 36:23 39:1,2
41:15 48:11 67:18
68:13 78:17 88:16
96:9,11 99:24
100:3 123:4
129:10 131:13,17
133:16 145:23
154:2 161:2,16
162:14

quick 18:6 77:6
99:10 126:23

R

raised 88:13

raises 33:4

range 7:20 59:13
119:5,21 133:3

rate 6:9 7:19 8:16,
18,21,24,25 9:3,7
10:8,9 19:18
26:10 32:13 33:12

36:17 49:3,15,16,
18,21 50:2,3,4,9,
10 61:3,4,24,25
73:20 74:11 77:2
78:11 83:11,18
89:19 93:8,9,10,
15 94:6,12,13
104:2 105:7,8
110:13,17 111:3,
5,6 117:10 124:18
125:3 128:17,18
129:2,7 133:14
156:24 157:11,15,
24 158:9,12,13,
14,21 160:16
161:15

rates 22:21 61:7
66:18 83:8 109:3
112:7,11 131:6
153:19

ratio 103:20,23,24
112:10

ray 36:16

re- 111:19 114:12
162:1

re-ask 156:16

re-uploaded
150:8

read 10:15 68:7
71:21 74:7 105:4,
5

ready 163:17

real 77:5 126:23
132:4

reason 15:19
33:20 39:25 41:16
76:18,19 78:18,23
100:4,6,7 136:15
139:13

reasons 15:21
32:24 161:13
162:13

rebuttal 4:4 41:18
145:21 152:10

Rec'd 4:13 5:2

recall 7:21 9:10
18:24 33:1 87:20
111:13 122:24
125:21 130:3
152:10 153:12

recalled 19:8
152:23

recalling 152:16

receive 28:22
34:19 164:25

received 14:7,15
51:4 56:8 62:8
64:18 68:10
122:16 123:1
139:16 147:17
148:17 149:16
150:4 151:18
152:4

receives 29:6

receiving 88:7
164:11

recent 74:7

recess 44:24
101:9

recipients 54:2

recognize 9:1
52:25 60:20 63:4
65:16 104:16
115:2 116:11,19
129:21

recognized 83:9

recollection
153:14,18 157:6

recommen-
74:12 76:14

recommend 76:2
162:10

recommendation
76:15 130:5

recommendation
s 123:12

recommended
74:13 75:16,21
76:19 77:3

recommending
130:8

record 6:5 37:6
42:25 45:3,20
46:7 80:11
101:10,25 128:7
130:20 152:15

recorded 13:6,9

Recross 4:2

RECROSS-
EXAMINATION
39:8 155:7 161:19

redirect 4:2
32:17,21 78:8
96:13 131:18
132:6 153:1 161:5

reduce 123:13,23
158:14,21 159:4,5
161:11,14 162:11

reduced 27:18
158:16

reducing 131:5
153:19 159:3
161:7

reduction 124:2
160:15 162:1

refer 46:18

reference 34:4
39:10 137:2

referenced 77:13

references 37:9

referencing 37:9

referred 113:7

referring 30:11
87:18 97:7 117:23

refresh 144:23

regard 9:21 49:5

regular 111:18
141:22

regulation 7:14
8:12,14 9:6 51:5,
21 135:2,19,20
142:25 165:14

regulations 5:17,
19 67:2 111:19
138:7,16,17,23
139:3 141:10,15
143:10

regulatory
135:12 161:12
162:13

related 68:5

relates 95:22
140:3

relating 95:23
103:6 113:25
141:19

relationship
47:16 83:6,16
90:17

rele- 153:18

release 41:24

released 41:17,19
78:19,24 79:2
100:5,8

relevance 68:4
135:10 137:5

relevant 71:1,4
140:12 141:12

rely 95:15

relying 97:4

remedy 44:12

remember 7:9
73:7 124:4

remind 6:15
54:22 84:23 106:1

remit 16:11

remotely 2:17

render 28:10

rephrase 113:17

replies 164:17

reply 163:5

report 5:3 16:16
17:11 19:4,9,16
20:16 21:4,25

22:2 26:7 29:14,
24 30:8,9,20,22
71:8,13 97:17
106:2,4 107:17,
18,19 142:23
153:23 155:17,18
156:8,19,20 158:3
159:19

reported 2:20
13:3,17 14:4 16:8,
14 23:19 25:13,15
26:10 28:14 30:3,
6 34:8,13 35:9,10,
12,17,19 40:17
108:10 109:3,4,5,
7 131:2,6 143:6
154:14,17

reporter 2:22
163:13

reporting 2:7 6:9
14:25 15:22 16:10
17:12 18:22
19:15,21 20:3,23
26:13 30:17
31:11,13,19
32:12,13 33:18
34:12 35:4,8
39:14,19 47:8,12,
14,20 68:5,6
86:14 109:11
113:16,20 114:5
123:24 130:9
153:15 154:4,6,24
159:6,20 160:18,
19

reporting-wise
15:11

reports 16:22
19:7 114:12

represent 52:11
56:24 57:11,21
59:18

representation
148:13

representative
41:21 88:4

represents 56:20

request 5:21
42:3,4 43:10
53:11 100:19
135:4 139:4,8
144:4 145:1
146:13,19,24
150:1,22 151:6

requested 164:13

requesting 42:10

requests 65:24

require 16:17
27:16

required 16:11
18:2 23:10 105:24

requirement
51:22 52:1,5
58:10 59:21 73:7
114:2 143:8

requirements
50:23 86:10,14
111:20 112:1
114:19

requires 51:5

requiring 105:5
112:10

research 86:17

resolution 18:18,
25 123:13 153:3,
9,10 156:8,19
161:9

resolutions
153:12

resources 47:25

respect 10:16
47:17 113:15,18
133:9

respond 104:6
165:12

Respondent 2:10
3:6

respondent's 4:6
5:2 56:3,8 60:15
62:8,25 64:18
65:13 68:10 70:4,

6,15 71:16 116:7
122:16 123:1
139:15 151:17
152:3

responding
67:18

response 104:22

responsibility
47:22 81:13

result 22:11 29:17
31:11 123:15

resulted 35:18

resulting 32:6

retired 105:22
106:9 121:24

retirement 2:2
3:2 6:7 16:25
20:19,22 21:6,16,
24 26:24 47:7,8,
13,20 48:3,10,20
114:3,10 121:25
141:3,7,22,23
142:1,10,13,22

retires 17:3

retro 103:7

return 101:8
152:13

review 114:13

reviewed 104:6

risk 143:12,17,19

risks 141:13

road 139:19

Robert 2:4,19
87:25

role 26:21 47:20,
24 48:2,5,13
113:13,18

ROMO 3:7,11

rough 101:2

roughly 58:22

round 37:21 38:7,
10

rounded 38:1,7

rule 38:22

ruled 165:20

runs 30:13

RUUD 3:7,11

S

S-O-R-I-A 80:13

S-T-I-N-E 46:9

Sacramento 3:4
164:25

salaries 82:2,10
85:22 161:23

salary 7:23 8:4
10:1,3 11:9 12:4
19:12 35:25 49:8
52:7 81:22 82:11,
14 83:6,17 84:2
85:6,7,11 86:6,20
92:9 93:12
103:10,17,21
105:8,15,16,20,21
106:10,13,17
109:5,8,13,18,21,
22 110:9,12,13,19
118:7,9,22,23,24
119:3,6,12,22
120:7,10,13
121:6,14,16 122:2
124:9,19,22
125:20,22,24
126:1 127:4
128:7,15 130:22
132:9 157:2,12
159:5,6 162:7

sample 7:17,22
8:2,17,23,24 11:4
30:6 33:6 34:21
105:7,16

sampled 13:2
21:22 32:25 128:3
132:14 155:11

Samuel 153:8

satisfied 157:3

scenario 20:21
25:20 30:4 153:15

sche- 130:22

schedule 82:2,
11,21 89:9 90:8
92:9,21 93:12
103:21 105:8
106:13 109:5,8,
14,18,21,22
110:9,12,13,19
113:24,25 118:7,
9,22,23,24 119:3,
6,12,22 120:11,13
121:6,16 122:3
124:22 125:22,24
126:1,2 127:4
128:7,16 129:5
130:22 132:9,25
157:2,12

schedule's 52:7

schedules 19:12
81:22 82:15 83:7,
17 86:6,20 89:5
103:11,17 125:20

school 2:9 5:4
6:10 24:6 26:25
29:22 31:17 32:3
47:6,17,25 48:10
50:24 51:14,23
52:3,12,15 57:3,8
58:1,10,14 59:3,5,
6,8 65:23 66:4,8,
10 67:18,21 78:12
79:7 80:23 88:3
102:11,20 112:4
117:1 119:22
120:4 121:1,12
141:7 142:23
143:5,8

Schools 112:20,
25 113:7,15

scope 155:24

screen 16:20 18:5
33:8 34:5 35:12
37:4 52:20 62:11
63:14 68:24 69:3
77:7 79:22 87:11
92:3,25 126:22
129:17 130:2

screenshare
12:20

scroll 52:22 65:3
117:7 127:19
130:12 132:3
133:3

scrolled 70:3

scrolling 130:17

secondary
154:21

secretary 43:6,20

section 5:18,20
119:12 138:20,24
139:3,8

sections 5:14,15
135:2 136:3
138:3,19

seek 86:15

send 44:18 54:7
107:18

Senior 102:14,23,
25

sense 8:19
158:17

sentence 71:22

separate 60:25
82:14,20 86:6,20
103:10 125:19,22,
24

separated 150:7

separately 23:22

September 2:19
6:1 163:10 164:2,
5

series 138:25

serve 76:23,25

served 42:20

service 4:16 17:1,
21 19:11 20:24
21:2,10,15 22:3,4,
8,10 23:18,22,24
25:10,19 26:5,12,
18,20 27:9 28:1,2,

3,11 31:22 32:7
35:19 86:4 149:19

services 45:18
46:21 47:6,9,10,
23 81:6 102:14,23
103:1 112:4

session 22:5 31:3

sessions 31:3

set 82:16,17 87:3
126:4,8 130:22

setting 82:1,11

setup 142:10

severe 84:16,23
85:18

shape 146:6

share 33:7 52:19
62:10 68:24 77:7
78:3 144:15

shared 51:23 61:9
67:21 87:8

sharing 16:20
37:4 77:5 92:25
130:2

sheets 128:8

short 32:1

shorter 15:3

Shorthand 2:22

showed 34:6

showing 63:14
73:18 129:16
132:12

shows 140:10
149:2,13

shrunk 130:1

shy 26:18

sic 15:18 19:4
33:21 58:2 63:15
105:7 145:7
150:13 155:18

side 14:25 39:9
82:9 117:8

sides 20:4 100:20

sign 79:3 100:9

Signed 150:19

significant 42:19
85:1 141:6 143:15

similar 85:3
142:10 143:17
155:21

similarly 155:22
156:2

simply 33:25
137:1 140:8 144:1
156:20 157:17
160:9 161:11,25

simultaneous
23:4 76:10 93:24
94:23 156:12
163:4,5

simultaneously
163:2

single 28:9 37:22

sir 6:15 19:19
41:22,24 45:8,16
53:15 73:25
77:11,12,24 79:2,
4,15 91:18 92:12
96:7 100:9 155:12

sitting 58:23

situated 155:22
156:2

situation 84:11
108:23,25 142:20
157:6

SIZMA 81:18

slammed 164:10

slide 63:19,25

slightly 21:10
31:11

small 12:25

someone's 36:12
159:5 162:12

someplace 29:8

Sondra 65:5

Soria 4:8 79:10,
12,13,14,16,19,
22,25 80:1,3,5,12,
20 97:20 100:5,8

sort 30:22 36:2
141:14

sounds 24:24,25
44:3

source 59:4

sources 112:8

speak 8:16 30:14

speaking 11:1
12:9 15:11 17:23
26:2 28:6 31:14,
16 32:8 82:7
135:7

speaks 78:15
98:1

special 16:14,15
17:18 18:12,14
23:19 24:12,18
30:3 31:4 148:9

specific 16:21
51:2 65:25 89:10
91:25

specifically 22:7
49:7 155:13

specifics 89:15
90:3,5 91:19,21

speculation 67:5,
10,11

spell 46:6 55:14
80:11 101:25
115:22

square 117:17

staff 48:10 81:18,
19 103:5 104:7
111:15

stagnant 72:18

stand 6:15

standard 8:5,6
38:19 62:2

Standards 66:15

standpoint
135:13

start 11:15 40:10,
14 49:16 54:20
100:18 103:25
134:2 158:8

started 54:24
55:4 74:3,6
107:13 108:1
138:9

starter 33:21

starting 87:7
120:22 136:21
138:11 140:24

starts 55:9 62:11,
21 64:22 65:10
71:12 104:12
115:12,13 136:6
137:8 138:5,22
139:1 140:8
141:21,25 144:3
151:8,21

state 2:3,22 8:22
10:18,25 46:6
48:4 50:19 80:10
88:4 101:24
123:12 141:3,23
142:1,9,13,21

statement 4:14,
15,19 15:5 42:3,8,
13 58:9 146:15
147:23 148:5
149:5,19 157:20
160:12

states 7:16 8:21
75:25

statute 7:14,16
8:12,14,20 9:6
10:18 12:13 51:5,
21 135:20 142:25
161:13

statutes 143:9

statutory 47:20
162:12

stay 79:3 86:9

100:11 124:1

stems 25:17

Stenographer
23:5 45:12 53:14
76:11,12 82:4
93:25 94:1,24,25
95:3,6 156:13,14
163:18,20,22

step 92:16,20,22
93:5 119:5,21
121:16 127:15,25
128:3,11,14,20
132:11

steps 127:9,21
128:9 130:22

Stine 4:7 45:6,7,
10,12,14,17,21
46:1,8,15 51:20
52:25 56:12 58:8
60:20 61:2 63:4,
19 65:16 67:17
68:20 71:21
78:10,19 79:1,6

stop 77:5 88:9
108:5

straighten 16:9

straightforward
18:7

Street 3:3

stretch 40:15

strictly 20:2

strike 89:23 95:21

STRS 86:13

structure 162:2

struggling 10:16

stuff 113:20 130:1

subject 41:18
55:23 72:9 123:24
137:18 143:7
162:22

subjected 31:5

submit 126:10
162:20 163:2

submits 126:14
submitted 86:24
subsequent 88:7
140:9
suggest 34:18
86:5 153:19
161:22 162:10
suggested 22:22
98:12
suggesting
22:23 97:22 98:17
suggestion
30:19
suggestions
22:21
Suite 3:8,12
summary 117:15
summer 13:8
22:5 31:3
Superintendent
112:20,25 113:7,
15
supervisory
81:19
supplement 96:1
support 4:17
45:18 46:21
147:11
surprised 25:1
surrounds 47:7
sustained 67:15
78:16 98:25
switched 56:15
sworn 7:2 46:2
80:6 101:20
152:24
system 2:2 3:2
6:7 13:3 23:20
33:18 35:9 38:10
53:22,23 103:6
112:1 113:23,25
114:1,4 115:6
116:24 117:10,11

141:4,23 142:10,
22
systems 28:23
141:7

T

tad 22:3
takes 25:18
taking 25:11,22
33:25 157:9,10,17
talk 85:18 88:22
110:11
talked 35:21
70:24 71:7 96:15
122:23 148:10
talking 7:10 10:24
28:19 35:20 54:24
85:5,21 89:11
110:12 113:10
124:10 125:16
132:14 157:7
taught 64:9
tax 114:3
TEA 81:18
teacher 124:9
Teachers 81:17
141:3,22,23
142:1,10,13,22
team 81:19 82:9
83:14
technically 10:2
11:1 12:9 15:11
17:23 20:22 21:1
26:2 27:5 28:9
157:14
telling 17:11 25:1
108:6 119:1
143:6,10,15
157:22,23 158:2
tells 8:12 33:19
112:5 127:15
ten 8:1,8 25:17,18
26:1 29:25 34:1,9,

11,15 36:5 44:24
81:6 152:13
ten-minute 44:6
ten-month 33:23
34:10,23 40:9,13
119:16
terms 21:3 82:1
83:10 89:13,14,
21,22 91:19,25
94:6 101:1 151:12
testified 7:3 46:3
80:7 101:21
152:25
testify 6:22 16:2
testimony 7:9
18:9 20:9,11
26:19 32:24 73:5
89:6 93:4 95:16,
22 98:7 123:10
124:15 129:14
140:17
text 138:6 148:6
Thi- 23:13
thing 42:2 43:13,
14 51:12 54:15
112:14 120:4
127:20 129:10
139:5,7 145:17
things 29:4 47:9
48:22 108:5
111:17 112:2
123:11 136:22
142:8 143:6
149:24
thinking 25:4
34:24
thinks 22:14
thought 25:2
44:16 51:17
100:18 105:13
106:9 144:20
165:21
thousandths
38:9
thumb 38:22

tie 17:19
tied 28:13 29:21
30:2 31:4
ties 17:20
time 2:7 20:23
23:5,6 28:13
31:15,25 32:1,10
36:19 37:1 42:1,
18 48:9 52:10
53:24 56:5 61:5
65:24 67:12 72:16
76:12 82:22 84:6
86:5 88:1 93:17
94:1 100:23
104:23 105:23
106:23 122:21
131:1,11 133:20
135:14 153:7
156:14 164:13,14
timecards 126:11
times 11:21 27:12
36:19 38:23 50:9
59:11 75:25
128:24
timesheet 126:14
timesheets
126:11
title 5:17,19 45:16,
17 55:10 138:17,
23 139:2,7
TIZ 81:20
to-- 110:21
today 58:8 100:24
101:1 104:4,18
150:8 163:9
told 10:13 25:2
44:13,15 94:7
97:8 151:9
top 36:14 56:19
115:25 118:11
132:3,24
topic 110:4
total 107:11
118:18

totally 36:7
track 29:3 100:25
trail 53:16
training 48:9,14
60:25 125:14,16
trainings 125:17
transactions
47:20
transcribed
166:3
transcript 2:16
163:14 164:4,5,11
transcripts
163:16
translate 85:15
translating 49:14
transmission
165:2
trouble 18:5 53:8
164:22
true 7:11,19,24
8:13,24 9:7,14,20,
22 10:8 12:17
14:11 36:8,22
53:25 61:16
157:15 160:5
TSCA 83:16
Tu- 67:3
Tucker 87:25
Tulton 6:8
turn 29:4 61:1
63:13 114:22
turns 43:23
Tustin 2:9 5:4 6:9
47:17,21,25 48:24
49:10,17 50:10
51:23 52:17 53:11
57:15 66:3,8,9,22
67:3 69:3,12 71:1,
5,14 72:13 74:23
75:5 80:23
102:11,19,25
104:7 114:18

Tustin's 49:7
50:13
type 13:6,9 16:13
25:13 32:11 37:23
39:10,20 83:19
117:9,13 138:14
typical 65:22
153:9
typically 67:4,25
72:18 73:1 83:22
84:1

U

ultimate 129:6
unclear 124:16
uncontroversial
133:25
underground
141:10,15 165:13
underlying 143:8
underpaid 107:7
underreported
18:20 19:14
108:10
understand 9:12
17:25 18:18 21:3
22:24 36:10 83:21
91:4 93:15 106:16
109:9 127:13
136:19 137:1
140:25
understanding
29:2 39:18 49:9,
12 50:22 64:7
83:5 96:16 97:11,
21 98:5,6,10
99:20 104:25
105:3 107:3,7
108:14,21 109:2
110:6 153:22
157:8
understood
76:23 83:13
106:17 109:10
123:11

Unified 2:9 5:4
6:10 47:17,21
48:1 51:24 53:11
66:3,8,9 69:14
74:24 80:23
102:11,25 114:18
Union 102:20
165:21
unions 81:16
90:17,24 165:19
unit 52:8 81:25
82:1 83:24 84:9
103:3,7 114:10,11
127:5 130:21

unit's 85:14
units 81:17 83:23
84:3,15
update 111:25
150:2
upload 42:16
43:4,6,20 145:12
uploaded 42:18
43:14,18 44:14
146:12 148:23
150:7,21
usual 164:13

V

valid 161:12
variety 47:10
48:15,21
Veena 53:19 54:1
versa 124:3
version 5:17,19
137:8,15,16,17
138:21,23 139:2,7
versions 136:1,
20,22,25 137:4
138:2,6 139:13
versus 29:24
82:15,20 89:20
90:18,25 98:16
125:12 126:15

vetted 59:14
vice 58:24 124:3
violate 143:19
voice 45:13 53:15
volume 2:10
56:14

W

wa- 74:16 108:18
131:11
wage 14:20
Wagner 5:12
65:7,8,11 87:20
wait 87:8
waiting 104:13
waiver 141:7
WALKER 2:4,19
wanted 18:9
26:20 54:25 66:16
69:16 74:16 76:14
104:21,25 105:13
106:9,21,24
107:12 109:3,10
110:7 113:9 131:1
151:11
wanting 106:16
147:3
Wayne 155:10
Webex 130:19
week 10:25 28:7,9
118:13,14 119:15
132:16 148:12
159:17
weeks 11:1 38:23
75:24 159:17
164:17 165:1
wel- 100:9
whatnot 12:11
17:24 28:12 38:19
39:21
whipped 146:6

widely 64:9
withdraw 134:14,
19,22 140:6
withdrawing
134:9 140:5 143:4
withdrawn
134:12 140:22
150:9,16,22,25
151:2,10
withdrew 141:11
witnesses 4:6
16:1 42:1 99:18
145:18
woman's 124:19
wondering 44:10
word 117:19
words 55:20
74:25 118:17
work 10:6,25 11:1
12:6,12,18 21:1
27:3 28:6,9,11,23
30:23 31:17 32:1,
2 46:15,16 52:3
80:22 86:11,14
92:3 93:17 94:14
100:21 102:19
126:4,11 128:22
129:1 133:11
140:10,11 159:17
worked 8:1,2 11:3
22:5 27:8 28:13
30:5 32:6 35:10
36:9,15 52:9
159:24 160:2,4
working 8:7 31:2
35:25 81:14 86:13
94:7 102:18 122:1
160:15
works 28:8,11
30:22 31:3 33:24
34:22,25 36:6
40:5,9 133:21
160:10 163:6
164:16,22 165:10
workshop 5:8
62:22 63:10

workshops 112:3
worry 134:6
wrap 145:17
write 66:1
writing 24:15
165:12
written 61:18
65:20 105:23
142:22
wrong 135:6

Y

Ye- 125:13
year 10:23 11:2,4,
8,18 13:4,8 22:10
27:3 28:3 31:18
34:19 36:1 38:23
57:7,8 58:1 59:11
72:8 75:24 78:12
82:2,3,10,12
107:13 116:25
117:1 119:23
120:5 121:1,12,17
122:9 132:9 133:1
137:18,21 140:9
years 17:8 27:8,9,
10 29:24,25 46:24
50:16 58:22
68:21,22 69:20,23
72:9 74:4 81:5,6,7
83:3 86:4 102:17,
21 108:4,6
140:10,11 142:21
143:1

yesterday 7:9
44:14 45:9 54:15,
25 70:25 71:7

yield 20:22

Z

Zoom 88:23