



STATE OF CALIFORNIA - GOVERNOR ARNOLD SCHWARZENEGGER
LABOR AND WORKFORCE DEVELOPMENT AGENCY

CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
**OFFICE OF THE CHIEF ADMINISTRATIVE LAW JUDGE/
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January 10, 2011

To: Board Members

**January 2011 Summary Report of Acting Executive Director and
Chief Administrative Law Judge Alberto Roldan**

1. Office of the Chief

- a. The Presiding Judge Conference has been scheduled for January 11-12, 2011.
- b. The LSS II Conference will be the following month on February 8-9, 2011
- c. The Inland Empire travelling mass has been finalized for the dates of January 18, 19 and 20, 2011.
- d. Our Chief Trainer, PALJ Lillian Waters, continues to slowly recover from the severe injury she suffered in September. In order to keep the regional training on track for May 9-13, ALJ II Angela Bullard has stepped up to lead the development of the training curriculum for the judges. So that all of the offices remain operational during the week of the training, there will be two tracks of three days. Each office will have half of their judges in each track and the other half assigned to cases. In addition, all available retired annuitants will be concentrated for assignment to hearing cases during the training week and they will not participate in the live conferences. The training will be videotaped and the materials made available to the retirees who continue to hear cases.

2. Snapshot of Field Operations as of December 2010 with an Annual Review

Overall December Workload: The number of new cases verified for calendaring in December was 37,369. This was only 3% below the monthly average for 2010 despite the holidays, the hiring freeze and lack of overtime. Closed cases [38,452] were slightly below the average in 2010 of 39,573 a month. This number still exceeded new cases for the 4th consecutive month and allowed CUIAB to reduce the open caseload [70,383] to the smallest it has been since November 2008. The number of open cases has fallen by more than 16,000 cases since the end of August 2010. It should

be noted, however, that the number of unverified appeals *en route* from the department (19,764 as of December 31st) remains extremely large and skews the figures. Likewise the backlog in the decision typing HUB (3,759) remains significant, but at least has not grown substantially during the last several weeks.

Annual Review: For the year, Field Operations opened 463,989 new cases in all programs. They increased verifications by 50,054 from the year before. This was the third consecutive year of double digit growth in intake. During the past twelve months, we opened 64% more cases than in 2007. During 2010, we closed 474,874 cases. This was an increase of 18% from last year (when we closed a then record 403,126 cases) and 76% from 2007. The enormous wave of unemployment appeals caused by the recession initially overwhelmed our department. In response, the Board, beginning in late 2008 and continuing through 2010, authorized a number of measures (hiring, technology solutions, changes to workloads, etc.) to increase our ability to hear cases in a timely fashion and reduce the backlog.

In 2010, our ability to complete cases faster than our receipt of new appeals was achieved for the first time since 2006. The resulting reduction in the backlog of cases is a major turning point. This should be celebrated, particularly in light of these improvements being achieved during a period when our operations were impacted by furloughs, hiring freezes, and limits on our ability to use overtime, out of class assignments, and the hiring of retired annuitants to address workload.

Case Aging, Time Lapse, and federal rankings: The timeliness measures continue to be impacted by the September order despite the reduction in backlog. The average case age remained at 45 days which is 15 days over the minimum federal standard. As of December 31st:

- 2% of cases were closed within 30 days,
- 12% within 45 days, and
- 73% within 90 days.

Only the 90 day measure remained above the 2010 average. The other two standards slipped slightly below the annual average. Performance through 2010 reflected significant progress from the previous year. At the end of 2009 the average case age was 52 days and only 60% of cases were closed within 90 days.

In terms of our national ranking, the most recent numbers are from the month of October 2010. California ranked 26th in the nation in terms of average case age despite being more than 26% of the national UI workload. Time lapse continues to be a struggle and we currently rank 46th in the nation in that category. The November and December federal numbers have not been received as of this writing.

Unemployment Insurance (UI) for December and Year: In December, the number of new UI cases [35,509 cases; 22,903 appellants] and closed cases [36,237 cases; 22,373 appellants] were both 3% below the averages for this year. Nonetheless, the open inventory [59,092 cases; 38,114 appellants] fell for the 4th straight month and is at its lowest point since October 2008. It should be noted, however, that the vast majority of the unverified appeals described above are UI and EUC cases.

For the year, there were 438,152 new UI cases [282,608 appellants]. This was 13% more than 2009 and 71% higher than 2007. The number of closed cases [448,665 cases; 289,389 appellants] rose faster with an 18% growth in the number of decisions from 2009 and 81% from 2007. This was the first time since 2004 in which the number of closed UI cases exceeded new cases.

Disability Insurance (DI) for December and Year: In December, as with UI, the disability workload rebounded from the very low November numbers and was much closer to typical figures. New cases [1,414] were 5% fewer than average and the most since August 2010. Closed cases [1,565] were 1% higher than the norm and the most in three months. The open inventory [2,148 cases] is the smallest it has been since May 2007, although the same caveat regarding unverified appeals applies here as well.

For the entire year, there were 17,901 new DI cases. This is just 77 cases more than in 2009. Closed cases [18,591] exceeded new cases for the 2nd consecutive year. During that time span, the open workload has been driven down by 29%.

Tax, Rulings, Other: In rulings, the intake and outflow were both below average, but the open inventory was reduced for the 4th consecutive month to reach its smallest level since October 2009. For all of 2010, there were 5,639 new cases and 5,771 closed cases. These show substantial growth from 2009, when the new and closed cases numbered 3,942 and 2,502 respectively.

Tax- the recently established Southern California unit helped push the number of closed cases to 235, which is the most in one year. Although the number of new petitions was 42% higher than average last month, December was the third time in which the inventory was reduced in 2010. For 2010, there were 1,959 new tax petitions. This was a drop of 25% from 2009. There were 1,470 closed cases last year, which is 7% fewer than in 2009. Whenever the UI workload explodes, tax cases suffer, so these numbers, while not cheerful, are not entirely unexpected.

SUMMARY/RECOMMENDATIONS:

1. Celebrate our successes in 2010 and set higher goals for 2011.
2. Continue efforts to secure an exemption to the hiring and overtime freezes instituted by the previous administration on our department (despite the fact that we are a special fund organization and there is no benefit to the general fund) so that we can devote additional resources to more aggressively driving down the backlog.
3. Create registration strike teams to work down the backlog in unverified appeals in highly impacted offices.



CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
SPECIAL PROJECTS MATRIX
January 2011

California's economy is globally ranked with approximately 1.0 million business owners and 15.9 million workers. Currently, California, along with the nation, is experiencing an immense economic downturn with 2.3 million California workers out of work. These are unprecedented numbers for California and the nation. Given this current economic situation, we strive to better serve California's workers and business owners during a time when more than ever, they are in need of our services. Since January 2009, the Board has been focused on the appeal backlog and identifying work solutions that will help address the workload.

WORK PROCESS IMPROVEMENTS

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|---|------|----------|--|---|--|
| EDD/CUIAB Appeal Co-Location Pilot Exploring the co-location of four CUIAB staff at EDD's LA PAC to streamline appeals registration processing. | | On Hold | Developed scope with EDD 07/2010 Connectivity established 08/2010 Equip installed 08/2010 Train staff 09/20/2010 Launch Pilot 09/27/2010 Analyze impact to appeals workload 12/2010 | <ul style="list-style-type: none"> Reduce claimants' & employers' wait time for hearing decisions. Resolve appeal registration issues in a timely manner. | Project launch on 09/27. EDD & CUIAB staff will evaluate the initial project data after the first 30 days and follow with evaluations at 60 and 90 days. Suspended on 10/04 to address CUIAB registration backlog. |
| US Department of Labor Taskforce For nine years, CUIAB has failed to meet US DOL timeliness standards for UI appeals. California is ranked 51 st among 53 states and US territories on time lapse and case aging standards. In late 2008, US DOL placed CUIAB under a corrective action plan with oversight by a taskforce of US DOL, EDD & CUIAB representatives. | | High | | <ul style="list-style-type: none"> Meet DOL time lapse measures. Meet DOL case age measures. | US DOL representatives conducted an appellate review and evaluation during the week of 07/27-31/2009. Formal DOL report sent on 02/05/2010. A response by LWDA was sent on 03/10/2010. The two-year "At-Risk" corrective action plan was submitted to DOL on 07/15/2010. |

TECHNOLOGY

| Project Description | Lead | Priority | Milestones | Goals | Status |
|--|-----------------------------------|-----------------------|---|---|---|
| <p>Accelerate Decision Notification to EDD Currently, CUIAB Field staff prepare appeal decisions for mailing to the appellants and EDD UI Branch. CUIAB and EDD are jointly developing electronic solutions for the transfer of appeal decisions to all EDD programs.</p> | Lori Kurosaka | High | <p>EDD/CUIAB workgroup launched 08/18/2009 Unisys contract award 01/2010 Phase I implementation 04/14/2010 (second level) Phase II design 05/03/2010 (first level) Phase II implementation 09-10/2010</p> | <ul style="list-style-type: none"> - Reduce claimants' & employers' wait times for benefits and adjustments. - Reduce postage and paper costs. - Increase information security for claimants & employers. | <p>FO design & development began 05/03/2010 Phase II implementation rollout began 09/22 with three FOs. Rollout of five FOs follow on 10/04 & 10/07. Phase III project development for Tax & DI decisions on hold through mid 02/2011 due to EDD's ACES implementation and unavailable DI staffing resources.</p> |
| <p>ALJ Mobility Pilot Provides mobile equipment to conduct hearings in remote locations.</p> | Rafael Placencia | Medium | | <ul style="list-style-type: none"> - Reduce processing time for appeals data flow and document saving. | <p>Inland FO will be pilot site. Training completed in 03/2010. Implementation is continuing. LA FO deployment scheduled for 12/2010.</p> |
| <p>CUIAB Network Upgrade This upgrade will double the bandwidth for faster processing of appeal data and information for ALJs and staff.</p> | Rafael Placencia | High | | <ul style="list-style-type: none"> - Meeting with EDD IT to explore options & alignment with Agency network consolidation efforts. | <p>DOL approved funding at \$354,000 for the planning phase only. Project and procurement strategy approved by LWDA & EDD. Six week start delay due to OCIO approval. EDD & CUIAB staff are drafting their portions and developing economic analysis worksheets.</p> |
| <p>Digital Imaging Currently, EDD mails hard copy documents to CUIAB when an appeal is filed. CUIAB will collaborate with EDD to image documents and records relating to all appeals and design an electronic exchange.</p> | Rafael Placencia Lori Kurosaka | High | <p>Kick off 11/2010 FSR completion 02/2011 Potential BCP 02/2011 Procurement 04/2011</p> | <ul style="list-style-type: none"> - Reduce paper files prepared & sent by EDD UI Branch. - Increase information security. - Reduce paper file storage space needs & costs at CUIAB. - Reduce postage costs. - Increase federal performance. | <p>Phase I is in use. Phase II is in development</p> |
| <p>Digital Personnel System This project creates a paperless process for recruitment and hiring process between HR and hiring managers (Phase I). Phase II will use CUIAB's external web site to accept electronic application filing for CUIAB job vacancies.</p> | Rafael Placencia | Medium | <p>Phase I design 05/2009 Phase I implementation 06/2009 Phase II design 08/2009 Phase II implementation 09/2009</p> | <ul style="list-style-type: none"> - Replace existing manual process to full paperless process - Eliminate the mailing of applicant documentation - Reduce staff time for preparing to hire by fully automating the application process | |
| <p>Electronic Case Management CUIAB's case tracking database is 8 years old and becoming cumbersome to manage the current workload volume. CUIAB is collaborating with LWDA & EDD to develop an integrated case management system.</p> | Rafael Placencia Lori Kurosaka | On Hold until 04/2011 | | <ul style="list-style-type: none"> - Receive appeals case documents electronically from EDD. - Eliminate internal mailing of case documents | <p>DOL approved funding at \$404,000 for the planning phase only. Project & procurement strategy approved for FSR development by LWDA, EDD & CUIAB. Vendor contract approved by LWDA. Kick off will occur after Digital Imaging contract.</p> |

TECHNOLOGY cont.

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|--|------------------|----------|--|--|--|
| <p>Electronic Transmission of Board Appeals to FO Currently, Presiding Judges receive hard copies of all board decisions for review to help identify ALJ training needs. This solution will transmit the decisions electronically to the PJs.</p> | Rafael Placencia | High | | <ul style="list-style-type: none"> - Eliminate the mailing of hard copy decisions to CUIAB Field Offices. - Increase information security. - Save paper and postage costs. | Draft reports pending review with AO. |
| <p>Enhance Wireless Connections CUIAB will upgrade 12 Field Offices and 3 large out-station offices for wireless connection. This will provide faster laptop and PC response times for ALJs in hearing rooms and offices.</p> | Rafael Placencia | High | Procure "hot spot" connectivity boosters. Install boosters. | <ul style="list-style-type: none"> - Seamlessly connect to CUIAB network via mobile devices. | Equipment received. Working on design and project plan. Design completed and working on configuration and testing. SF install on 11/09 & Fresno on 11/18. |
| <p>Expand Auto Dialer Hearing Reminder Adding email and cell phone text features for supplemental hearing notifications.</p> | Rafael Placencia | High | Updated software. Final testing 08/2010. Implemented 09/2010. | <ul style="list-style-type: none"> - Increase hearing attendance rate & productivity. | Email notifications implemented in 09/2010. Fourth request for DE 1000 update to UI Branch for cell phone text messaging made on 10/06/2010. Analyzing data to determine need for phone hearing reminders. Specs pending review. |
| <p>Field Office Technology Enhancements CUIAB is investing in technology improvements for Field Offices. CUIAB will test the use of larger sized monitors for hearing rooms. Also, CUIAB will provide second monitors for support staff to toggle into SCDB without interrupting their CATS displays.</p> | Rafael Placencia | Medium | Complete procurement 02/2011. | <ul style="list-style-type: none"> - Improve readability of documents on screen. | Preparing procurement documents for additional monitors |
| <p>Field Office Telephone Tree Field Operations will test the use of phone menu options to answer routine constituent calls. This will allow support staff to spend more time on the non-routine calls.</p> | Rafael Placencia | Medium | Develop standard automated phone tree to be used for all FO's Pilot new phone tree in the Inland FO | <ul style="list-style-type: none"> - Reduce claimants & employers time on phones. - Standardize hearing information provided by phone. | Standard phone tree design completed. Pilot began in the Inland FO. IT & Admin are developing evaluation tool to measure pilot effectiveness. |
| <p>Hearing Scheduling System Currently, FO & AO support staff schedule or assign appeal hearings or cases using a hybrid manual process considering many different criteria</p> | Rafael Placencia | High | Charter & scope completed Kick off 10/14/2010. | <ul style="list-style-type: none"> - Reduce claimants & employers wait time for hearing decisions. - Provide easier electronic process for staff to calendar hearings or schedule cases. | AO, FO & IT observed an EDD demo on their UI Scheduling System. Finalizing project scope. Team collecting business requirements and finalize documentation late 12/2010. |

TECHNOLOGY cont.

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|---|------------------|----------|--|--|--|
| Interim Access to SCDB/TAS CUIAB IT & EDD IT partnering to provide connectivity to EDD's Single Client Database for FO inquiry use - address updates, claim info, employer account updates, proper appeal documents, etc. | Rafael Placencia | Medium | EDD CIO strategy plan 01/29/2010. Security & connectivity tests in Sacramento 05/06/2010 MOU executed 06/24. | <ul style="list-style-type: none"> - Validate claim information and appeal registration in real time. - Reduce wait time for claimants & employers. - Increase federal performance. | Interim solution until both EDD & CUIAB are on the same network infrastructures and imaging systems. MOU executed. Training module received on 09/25/2010 from UI Branch. CUIAB delivered training in FO 11 & 12/2010. |
| LWDA Network Consolidation To comply with OCIO Policy Letter 10-14, the LWDA Departments & Boards are developing a network consolidation plan that must be completed by June 2013. | Rafael Placencia | Medium | LWDA Workgroup develops migration plan. Consensus on migration plan. Implementation | <ul style="list-style-type: none"> - Improve IT efficiency & effectiveness. - Improve security. - Reduce IT costs by using shared service models. - Reduce greenhouse gas emissions. | The migration plan is completed and a cost model has been developed. |
| Personal Productivity & Mobility Pilot for Board Members, Appellate & Senior Staff CUIAB will test the use of new mobile, paperless technology with Board Members, six Appellate ALJs, and Senior Staff. | Rafael Placencia | Medium | | <ul style="list-style-type: none"> - Reduce the use of paper for board appeal processing and board meetings. | Researching feasibility of technology alternatives. |
| Printer Standardization Standardizes the use of printers throughout the organization as they are replaced. This will reduce maintenance and toner costs through the printers lives. | Rafael Placencia | Medium | | <ul style="list-style-type: none"> - Reduce maintenance & support costs. - Reduce toner costs. | Researching feasible equipment. |
| VOIP Telephony CUIAB is exploring use of Voice Over Internet technology to provide lower cost telecommunications. This will also include expansion of auto dialer hearing reminder system. | Rafael Placencia | High | Identify equipment costs | <ul style="list-style-type: none"> - Elimination of long distance toll calls - Consolidation of telecommunications support areas. | OTech delegation submitted 04/06/10 Working with vendor to establish system requirements. First installation will be Santa Ana followed by Van Nuys by late 12/2010. |
| Workstation Refresh Replace the 150 remaining PCs that have expired warranties throughout the state. | Rafael Placencia | High | | - | Preparing procurement documents. |

STAFFING, FACILITIES, EQUIPMENT & OTHER

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|--|--|-------------|--|--|--|
| <p>Administration Branch Move To leverage headquarters space, a part of Administration Branch staff will be housed on the first floor @ Venture Oaks.</p> | <p>Janet Maglente Pam Boston</p> | <p>High</p> | | <p>-</p> | <p>This move will accommodate space needs for IT.</p> |
| <p>Archive File Document Conversion Each FO is retaining three years of completed paper appeal case files that are sitting in considerable real estate space. The file room space may be easily converted to ALJ offices or hearing rooms.</p> | <p>Lori Kurosaka Pat Houston</p> | <p>High</p> | <p>MSA vendor contract executed 01/2010. OC, Inland, LA, Oxnard, San Jose, San Diego, LA, Sacto, SF. Appellate complete Vendor quality check 04/05, 05/06 & 08/19.</p> | <p>- Recapture real estate space for ALJ offices and hearing rooms. - Priority conversion for OC, Inland, LA, San Jose & Oxnard.</p> | <p>FO staff are inventorying, prepping and boxing 2008 & 2009 archive appeal files in Fresno, Pasadena and Tax. FOs are on hold to prep 2010 completed case files due to staffing resources.</p> |
| <p>Performance Management Tools for Board & Leadership In addition to program performance reporting to US DOL, CUIAB is developing reporting tools that the Board & Leadership will use to monitor overall appellate performance and process cycle times. These tools will also help to measure success with the large scale technology projects.</p> | <p>Janet Maglente</p> | <p>High</p> | <p>Business case metrics for imaging Business case metrics for case management</p> | <p>-</p> | <p>Working with IT to develop the reporting templates.</p> |
| <p>Transforming CUIAB To procure a consultant to help plan and guide the leadership team through organizational change management. A consultant will assist with defining organizational structure, proactive communications with stakeholders, identify staff skill sets needed for new technology, etc.</p> | <p>Rafael Placencia Pam Boston Lori Kurosaka</p> | <p>High</p> | <p>CMAA scope of work completed. Release RFO</p> | <p>- Plan, design and implement organizational design for the large scale technology projects. - Plan and coordinate communications with all stakeholder groups.</p> | <p>A draft scope of work is pending review with the leadership team and project teams. Anticipate initiating procurement process by 02/2011.</p> |

COMPLETED PROJECTS

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|--|----------------------------------|----------|--|--|---|
| ALJ & Board Member Training Curriculum is being developed to address federal and state policy changes such as extended unemployment benefits program. | Alberto Roldan Jorge Carrillo | High | Implement new curriculum 11/15/2009 | | Developing webinar training to update ALJs on federal policy & regulation changes to be available in 12/2009. New curriculum introduced in new ALJ training in 11/2009. Board Member curriculum delivered 12/2009. |
| Auto Dialer Hearing Reminder FO experienced over 30% "no show" rate of appellants for scheduled hearings. To increase hearing attendance, CUIAB developed computerized auto dialing hardware and software to call claimants and employers with reminders 48 hours prior to scheduled hearing dates. | Rafael Placencia | High | System design 05/2009 Procurement 06/15/2009 Configuration & testing 06/30/2009 Implementation 07/01/2009 | <ul style="list-style-type: none"> - Increase hearing attendance. - Increase phone hearing schedule. - Reduce duplication of work from reopening cases and rescheduling hearings. | Tested hardware/software 07/2009. Implementation was on 07/22/2009. Post-implementation "no-show" rate now at 22%. |
| Business Process Reengineering EDD & CUIAB established joint project team to solicit a vendor to review and document current appeals processes in light of EDD's technology efforts to ensure CUIAB aligns with new models. Vendor will offer new appeal business models for consideration and to lead to business and procurement requirements. | Lori Kurosaka | High | Vendor on site 06/21 Kick off 06/23 As is delivered 08/2010 To be deliverable 09/2010 Gap analysis 09/2010 | <ul style="list-style-type: none"> - Reduce claimant & employer wait time for appeals decisions. - Reduce paper & postage costs. - Increase information security. - Increase federal performance measures. | Currently pursuing DOL grant to fund the entire effort. EDD/CUIAB joint kick off on 06/23. Vendor held leadership vision checks with CUIAB (06/19/2010) & EDD (08/31/2010). Final deliverables accepted 10/18. Scheduling briefing sessions with key stakeholders – LWDA, DOL, OCIO, etc. |
| Case Process Time Analysis CUIAB conducted a detailed analysis of the steps in the first- and second-level appeal process. This helps to identify areas to streamline and maximize efficiencies. | Steve Egan | Medium | Appellate analysis to be completed by 06/15/2009. | <ul style="list-style-type: none"> - Increase federal performance measures. - Reduce wait time for claimants & employers. | Field analysis completed on 04/29/2009. Appellate analysis completed 06/30/2009. Both products were shared with US DOL & EDD. |
| Dragonspeak Software Pilot Piloted use of voice to text software to dictate appeal decisions with 21 ALJs. Software helps reduce hub typing by support staff and expedite the mailing of appeal decisions to claimants and employers. | Alberto Roldan | High | | <ul style="list-style-type: none"> - Reduce decisions being typed in the hubs. - Reduce wait time for claimants & employers. | 3 ALJs in AO, 17 ALJs in FO and 1 in Office of Chief piloted the software. The software will be introduced at all new ALJ training beginning 09/2009. |

COMPLETED PROJECTS CONT.

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|---|--|----------|---|---|--|
| <p>Enhance E-Dec System for Paperless Decision Processing Replicate Field Operations Typing hub for Appellate Operations. Provides electronic access to decisions by Appellate ALJs and decision typists for typing, review, edits, etc.</p> | Rafael Placencia Jorge Carrillo | High | Specification meeting 04/29/2010 Demo 05/05/2010 | <ul style="list-style-type: none"> - Eliminates typist wait times in receiving hard copy folders with digital audio decisions. - Reduces wait time for claimants & employers. | IT began pilot phase. |
| <p>Enhancing Information Security CUIAB appeal forms and mailings include printing of Social Security Numbers as identifiers. CUIAB is experiencing a high number of security incidents due to errors with mailing addresses.</p> | Rafael Placencia | High | | <ul style="list-style-type: none"> - Increase information security for claimants and employers. | IT developed programming to remove the SSN from all CUIAB mailings. User testing successfully completed. Changes in production on 02/09/2010 with a new release of CATS. |
| <p>Expansion of Dragonspeak Software Currently, 60 ALJs in FO & AO are using the voice to text software to dictate appeal decisions in result of the pilot and training. CUIAB is offering the use to all ALJs and provide a training schedule statewide.</p> | Alberto Roldan Rafael Placencia Pam Boston | High | Procure additional licenses Develop training schedule & technical assistance follow up. Implement new licenses. | <ul style="list-style-type: none"> - Reduce decisions being typed in the hubs. - Increase federal performance. - Reduce claimants & employers wait time for decisions. | DOL approved funding for expansion at \$148,000 for 60 licenses. CUIAB matched funding for 30 additional licenses. IT rolled out software in 03/2010. Admin followed with ALJ training sessions from 03/2010 to 06/2010 with vendor-developed custom software training for ALJs. |
| <p>Expansion of Information Technology Infrastructure To align with the State CIO & CA Labor & Workforce Development Agency CIO strategic technology plans, CUIAB needs to update its IT infrastructure to pursue further technology projects.</p> | Rafael Placencia | High | System design 09/2009 Procurement 10/2009 Configuration & test 10/2009 Implementation 07/2010 | <ul style="list-style-type: none"> - Reduce the complexity of the WAN by standardizing circuit types. - Provide faster throughput for centralized computer services - Lower administrative cost. - Align with Agency WAN consolidation. | System design completed 07/2009 DOL approved funding at \$310,000. Sacto & OC were first priority. |
| <p>Hearing Room CUIAB will partner with Division of Workers' Compensation to use their underutilized hearing rooms across the state.</p> | Alberto Roldan Pam Boston Pat Houston | High | Executed contract for 3 Oakland hearing rooms from 12/2009. Executed contract for So Ca | <ul style="list-style-type: none"> - Increase facility capacity for hearings. - Increase federal performance. - Reduce wait time for claimants & employers. | Hearing rooms secured in Van Nuys, Oxnard, and San Diego. |
| <p>IT Asset Management Improvement Updated tracking of IT assets with an automated system. This item was a recommendation noted in the Bureau of State Audits Report 2008-103.</p> | Rafael Placencia | Medium | Implement 08/2009 Transition assets to IT 09/2009 Draft & implement policies & procedures 09/2009 Conduct training 11/2009 | <ul style="list-style-type: none"> - Replace manual IT asset management system with new automated system. - Improve tracking of IT assets & aging. - Reduce asset management processing time by 50%. | |

COMPLETED PROJECTS CONT.

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|---|--|----------|--|---|--|
| <p>Mass Calendaring In each FO, a team of 3 to 4 ALJ IIs are assigned a mass calendar of more common, routine UI appeal hearings. Rather than scheduling one hearing for a time slot, the mass calendar schedules three hearings to maximize case calendar time.</p> | Alberto Roldan | High | | <ul style="list-style-type: none"> - Increase case completions. - Increase federal performance measures. - Reduce wait time for claimants & employers. | Beginning 10/2/2009, all Field Offices will be holding mass calendars two weeks each month. Mass calendars will be scheduled for both ALJ Is and ALJ IIs. |
| <p>Overcalendaring System Beginning 09/24/2009, all ALJs, during regular calendar weeks, will be assigned additional four to five appellants per week per ALJ. This overcalendaring will offset lost productivity created by appellants not showing for hearings. This procedure will be in place in addition to mass calendars alternating weeks.</p> | Alberto Roldan | High | | <ul style="list-style-type: none"> - Liquidate the appeal case backlog in FO - Increase federal performance measures. - Reduce wait time for claimants & employers. | This new procedure was put into place on 09/24/2009 for hearing calendars two weeks out. We will monitor results over the next few months. |
| <p>Paperless Pilot Project When a board appeal is filed, the hard copy case file is mailed to AO for processing. To expedite this case transfer, CUJAB will pilot the transmission of electronic case files from one Field Office to AO.</p> | Pam Boston Alberto Roldan Jorge Carrillo Luis Rodriguez | High | System design 03/2009 Procurement 06/2009 Configuration & testing 07/2009 Implement Phase I 09/2009 Implement Phase II 10/2009 | <ul style="list-style-type: none"> - Expedite the transfer of board appeals from FO to AO. - Reduce wait time for claimants & employers. - Increase federal performance. | AO developed a monthly report that measures the time it takes FO to transmit board appeals and case files to AO. Daily scanning in Orange County FO began 10/01/09. OC transfer rate has fallen from 4 days to 1.9 days. |
| <p>Phase I – Workload Reduction Plan In 2008, the Board & management team developed a workload reduction plan to address the increase in cases and the time lapse and case aging standards.</p> | Pam Boston Alberto Roldan Jorge Carrillo | | Board approval Hire 21 ALJ Is in FO 05/2009 Hire 21 Support FO 05/2009 Hire 10 ALJ IIs FO 08/2009 | <ul style="list-style-type: none"> - Liquidate appeal case backlog in FO - Liquidate appeal case backlog in AO - Increase federal performance measures. | All Phase I hires completed. |
| <p>Phase II – Workload Reduction Plan Hired additional staff to address workload and phased ALJ training.</p> | Pam Boston Alberto Roldan Jorge Carrillo | | Board approval Hire 40 ALJ Is by 06/2009 Hire 40 support by 06/2009 | <ul style="list-style-type: none"> - Liquidate FO appeal case backlog. - Liquidate AO appeal case backlog. - Meet time lapse & case aging stds. | |
| <p>Phase III – Workload Reduction Plan</p> | Pam Boston Alberto Roldan Jorge Carrillo | High | Board approval Hire 4 ALJ Pis in AO Hire 6 Support in AO Hire 30 ALJ Is in FO Hire 40 Support in FO | <ul style="list-style-type: none"> - Liquidate the appeal case backlog. - Reduce wait time for claimants & employers. - Increase federal performance. | AO completed 4 FT ALJs and 4 PI Support Staff. FO has filled 29 ALJs and 28 Support Staff. All offices are actively recruiting, and anticipate having most of the PFT positions filled by 4/30/10. |

COMPLETED PROJECTS CONT.

| Project # & Description | Lead | Priority | Milestones | Goals | Status |
|---|--|---------------|--|---|---|
| <p>Reduce Decision Typing Backlog CUIAB will partner with LVWDA & EDD to borrow typists on Furlough Fridays, Saturdays &/or Sundays to help reduce decision typing backlogs in FO & AO. CUIAB is converting the Sacramento Training Room into a temporary mini-hub.</p> | <p>Alberto Rodlan Jorge Carrillo Pam Boston Lori Kurosaka</p> | <p>High</p> | <p>Test equipment & training with small group 10/09 Mini-hub full group 10/16 FO decision typing liquidated by 11/13/2009</p> | <p>– Reduce wait time for claimants & employers. – Increase federal performance.</p> | <p>49 CUIAB Headquarters staff began 10/12 & 20 EDD staff began 10/16. Transitioned hub to AO transcript typing on 11/13. Transcription backlog reduced by 50% by 01/15/2010. OAL stenographer contract in place to assist with transcription.</p> |
| <p>Refresh Forms & Pamphlets Update CUIAB forms and pamphlets.</p> | <p>Steve Egan– FO Luis Rodriguez AO</p> | <p>Medium</p> | <p>Draft procedures for FO staff. Implement data collection. Enhance auto dialer with new data mining.</p> | <p>– Update, summarize, clarify and consolidate public information on CUIAB website.</p> | <p>Draft Hearing Info Pamphlet completed 05/09. Pending FO review. Draft AO FAQs completed. In final review. DE 1000 revised for cell phone & email collection. CATS drop down fields already in place.</p> |
| <p>Regulatory Revisions To eliminate 18 days of waiting time in board appeals, CUIAB is pursuing regulatory changes to require parties to exercise their rights earlier in the process.</p> | <p>Jorge Carrillo Ralph Hilton Kim Hickox Rafael Placencia</p> | <p>Medium</p> | <p>Board Approval OAL submission Develop forms IT reprogramming OAL approval 02/15/2010 Implement 05/2010</p> | <p>– Reduce board appeal processing time in AO.</p> | <p>The Board held two public hearings for public comment – one in Northern CA & one in Southern CA. Draft regulation revisions adopted by the Board at the 10/2009 meeting. OAL published the draft regulations for public comment ending 02/15/2010. CUIAB also mailed drafts to interested parties. AO staff are working with IT staff to update all board appeal acknowledgement letters and any other applicable letters.</p> |
| <p>Sacramento Headquarters Construction CUIAB Headquarters experienced construction delays for seven hearing rooms</p> | <p>Pam Boston Ralph Hilton</p> | <p>High</p> | <p>Locate seven hearing rooms with other state agencies.</p> | | <p>Construction complete and hearings began 01/19/2010.</p> |

COMPLETED PROJECTS CONT.

| Project & Description | Lead | Priority | Milestones | Goals | Status |
|---|------------------|----------|---|--|---|
| <p>Streamline Appeal Registration EDD & CUIAB established a joint workgroup to improve the appeal registration process that occurs at both EDD & CUIAB. The current process takes about 15 days before an appeal is ready to calendar for hearing.</p> | Lori Kurosaka | High | Recruit FO staff participants Visit PACs & CUIAB FOs to review processes. Brainstorm solutions. Recommendations to Execs | <ul style="list-style-type: none"> - Eliminate duplication in process. - Increase efficiencies. - Increase federal performance measures. - Reduce wait time for claimants & employers. | Workgroup launched on 1/1/20 with office visits on 12/10 & 11 Sacto and 01/14 & 15 in OC. EDD & CUIAB met on 02/18 to debrief and discuss potential solutions. Recommended solutions are under development. |
| <p>Telephone Hearings Field Operations is testing the use of phone hearings to provide better access particularly to UI claimants who lack transportation to a hearing or have secured new employment. This also helps employers by allowing them to remain on their business premises during business hours.</p> | Alberto Roldan | High | | <ul style="list-style-type: none"> - Increase hearing attendance by claimants & employers. - Increase federal performance measures. - Reduce wait time for claimants & employers. | |
| <p>Video Production Developed a 5 minute video to demystify the appeal hearing process. The video is looped in hearing office reception areas and available via the internet.</p> | Steve Egan | High | | <ul style="list-style-type: none"> - Familiarize parties with the hearing process. - Educate parties on presenting their cases at hearings. | PowerPoint slide presentation is complete. DGS Studio Director Stella Garin completed film shoot on 06/19. Editing completed & DVD delivered 07/08/2009. Posted to CUIAB website on 09/01. |
| <p>WAN Acceleration Implement a networking technology known as Wide Area Acceleration Services (WAAS) to speed up the transferring of data over the Wide Area Network.</p> | Rafael Placencia | High | System design 06/2/2009 Procurement 07/2/2009 Configuration & testing 08/30/2009 Implementation 10/1/2009 | <ul style="list-style-type: none"> - Reduce computer response time when accessing files over WAN links - Increase productivity of staff by improving opening and closing of documents over the WAN | System Design Complete. Implementation occurred in San Jose, Inland, Fresno, Inglewood, Oakland, Pasadena, and San Francisco. Phase II is complete. |

AO REPORT TO BOARD—MONTH OF December 2010

| | # Cases | # Appellants | Fiscal Yr Ave |
|---------------|----------------|---------------------|----------------------|
| REGISTRATIONS | 2,721 | 1,682 est. | 1% above |
| DISPOSITIONS | 2,360 | 1,474 | 9% below |
| OPEN BALANCE | 3,973 | 2,563 (est.) | 26% above |

CASE AGING 38 Days MET DOL STANDARD (40 days or less)

TIME LAPSE

| DOL Standard | Actual % for December 2010 | Expected |
|--------------|-----------------------------------|-----------------|
| 45 Days | 48% | 50% |
| 75 Days | 96% | 80% |
| 150 Days | 100% | 95% |

AO ANNUAL REPORT TO BOARD 2010

| | |
|---------------|--|
| REGISTRATIONS | 32,258 |
| DISPOSITIONS | 31,232 |
| CASE AGING | Met DOL Standard every month of 2010 |
| TIME LAPSE | Met DOL Time Lapse for 45 days every month except January/December and Met DOL Time Lapse for 75 and 150 days every month of 2010. |
| APPEAL RATE | The average rate of ALJ decisions appealed to the board for 2010 was 6.8% |

ADDITIONAL INFORMATION

FO TO AO Monthly Report The average is up slightly due to AO staff use of holiday time.

Report on ALJ production is included with the board materials.

AO ALJs will be doing AO Mass calendars starting in January, as well as conduct board member training.

Retired ALJ Kevin Toole has reached the maximum hours he can work with us until July 2011.

California Unemployment Insurance Appeals Board
AO ALJ Assignment of Cases
For 12/1/2010 to 12/31/2010

| ALJ Name | ALJ Type | # of Case Assigned | # of Appellant |
|---------------------------|-----------------|---------------------------|-----------------------|
| Jorge Carrillo | calj | 3 | 3 |
| Emma A. Castillo | aljll | 174 | 108 |
| Joel Contreras | aljll | 319 | 174 |
| Martha Geiger | aljll | 67 | 30 |
| Ronald K. Goi | aljll | 167 | 120 |
| Susana Halfon | aljll | 127 | 85 |
| Nancy Kirk | aljll | 96 | 59 |
| Lori Moreland | aljll | 97 | 65 |
| J. C. Newcomb | aljll | 79 | 59 |
| Cindy Parker | aljll | 92 | 59 |
| Patricia K. Poyner | aljll | 101 | 50 |
| William J. Purcell | aljll | 107 | 79 |
| L. Shek | aljll | 123 | 90 |
| Kevin C. Toole | aljll | 79 | 59 |
| M. Bockwinkel | alj | 63 | 46 |
| Wendy Breckon | alj | 76 | 51 |
| Kathryn Chase | alj | 51 | 37 |
| Peri De Marco | alj | 128 | 63 |
| Kevin Elmendorf | alj | 73 | 45 |
| Thomas E Flynn | alj | 112 | 76 |
| Theresa Herrington | alj | 102 | 70 |
| Rochelle Ramsey | alj | 120 | 86 |
| Barbara Steinhardt-Carter | alj | 152 | 99 |
| Kelly Van Camp | alj | 73 | 62 |
| E. Manders | retired alj | 3 | 1 |
| Total | | 2,584 | 1,676 |

CUIAB 10/11 Fiscal Year Overtime - SCO Report
July 2010 through November 2010

| Branch | FY Y-T-D Decision Typing | | FY Y-T-D CTU Typing | | FY Y-T-D Registration | | FY Y-T-D Other | |
|--------------|--------------------------|--------------------|---------------------|---------------|-----------------------|--------------------|-----------------|---------------------|
| | Hours | Pay | Hours | Pay | Hours | Pay | Hours | Pay |
| Appellate | 7.75 | \$228.24 | 0.00 | \$0.00 | 57.75 | \$1,585.91 | 317.00 | \$9,874.48 |
| Admin | 0.00 | \$0.00 | 0.00 | \$0.00 | 219.50 | \$7,709.62 | 284.25 | \$12,197.51 |
| IT | 0.00 | \$0.00 | 0.00 | \$0.00 | 0.00 | \$0.00 | 630.75 | \$26,915.67 |
| Exec | 0.00 | \$0.00 | 0.00 | \$0.00 | 23.50 | \$1,199.21 | 124.00 | \$3,684.38 |
| Field | 1,642.50 | \$54,397.13 | 0.00 | \$0.00 | 1,819.25 | \$49,937.10 | 2,678.75 | \$86,089.08 |
| Total | 1,650.25 | \$54,625.37 | 0.00 | \$0.00 | 2,120.00 | \$60,431.84 | 4,034.75 | \$138,761.12 |

| 10/11 Fiscal Year-to-Date Total Overtime Expenditures | | | | | FY 10/11 FY Projections | |
|---|---------------------|--------------------|---------------------|-----------------------|------------------------------------|--|
| Branch | 10/11 FY Allocation | Year-to Date Hours | Year-to Date Pay | Allocation Balance | Estimated Expenditures Over-/Under | |
| Appellate | \$158,242.99 | 382.50 | \$11,688.63 | \$146,554.36 | \$130,190.28 | |
| Admin | \$121,418.90 | 503.75 | \$19,907.13 | \$101,511.77 | \$73,641.79 | |
| IT | \$113,289.60 | 630.75 | \$26,915.67 | \$86,373.93 | \$48,691.99 | |
| Exec | \$17,565.82 | 147.50 | \$4,883.59 | \$12,682.23 | \$5,845.20 | |
| Field Operations | \$1,221,881.22 | 6,140.50 | \$190,423.31 | \$1,031,457.91 | \$764,865.27 | |
| Total | 1,632,398.53 | 7,805.00 | \$253,818.33 | \$1,378,580.20 | \$1,023,234.53 | |