

worked on and particularly former Member Adkisson put in a lot of time and effort, either have been distributed or will soon be distributed to all of the judges so that we can begin using them and enjoying the fruits of Member Adkisson and other persons labor including Hugh Harrison and the committee that he had.

5. Board Member Reports:

Vice Chair Allen commented that it is his honor to serve on the board and he thinks it goes without saying that he has thoroughly enjoyed working with Roy during his time at CUIAB and he looks forwards to continuing his friendship with him after he leaves here. He would agree with everything the Chair said. Member Ashburn has been incredibly patient with them at times as they make their decisions and he has always been a good colleague and someone who has always tried to find the best solution to make the most sense.

Member Ashburn referred to a stack of board packets on the podium that represented the packets from every board meeting for the last 51 months. Member Ashburn commented that it reflects for him a significant period of time in his life and his appreciation for the opportunity to service. For whatever reason when he was eight years old he caught a passion for public service and for politics. He reflected upon his career, and he stated that it's been a great privilege to serve California. CUIAB has been the culmination of 18 plus years of service to the people in Sacramento; as a member of the State Assembly, as a member of the State Senate, and as a member of this board. He added that there are so many people to thank along the way because he did not in any manner ever achieve or accomplish or serve alone. He thanked Governor Schwarzenegger, Susan Kennedy, and Fred Aguirre for giving him the opportunity to come to this board. Board Member Ashburn recounted, he had the best partner you can have in confirmation as Chair Dresser and he went to their confirmation hearing together. He stated it was tougher than he thought it was going to be and the difference is that the Chair received all yes votes, he didn't. A member from his own party decided to vote against him. He acknowledged the board members with whom he served, referring to them as an outstanding group of people. He joked that he ran through three chief counsels, and then proceeded to thank all the attorneys, ALJs, senior staff and support staff for the work they do for the agency. Everyone has a critical role to play and people do their work and serve the public so incredibly well. It makes serving in this capacity an added pleasure to know that there is such competence and such dedication serving the people as well.

Member Ashburn commented that when he arrived CUIAB was under a Corrective Action Plan. Things were severe with respect to California's noncompliance with

the Department of Labor. CUIAB was underwater in our ability to, in a timely manner, process cases. The number of cases that each board member was carrying was staggering at that time and we've come through those things. A commitment that he and the Chair made at the Senate confirmation hearing that CUIAB would come out from under Corrective Action. They achieved it. He wanted to talk about the number of cases. So if he's been here 51 months, and there are 20 workdays in a month, that's 1,200 days. So if he gets 30 cases a day that's 30,600 cases during the time that he's been here. But estimated the number probably averaged between 50 and 70 cases a day. Those cases are not pieces of paper. Those are not electronic images. Those are the lives of real people. People who have lost their jobs. People who have an event or circumstance in their life that has changed their life. They are on the edge. They are desperate for financial support or for a path, a means of supporting themselves and their families. Or for the employers, who have had employees that weren't conducting themselves properly. They too are desperate for fairness and for an expeditious resolution of their case. That's what we do here. We try to bring justice and fairness to the circumstances surrounding real people. It's a remarkable calling. It's an amazing gift and it's an unbelievably high public service calling, and he is grateful for the privilege.

6. Public Comment:

No public comment.

7. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales commented that she is personally grateful for Member Ashburn's service on the board. He has been absolutely fair in his decision making and resolutely honest with everything. He's been funny to talk to and a good supporter through difficult times. She knows whatever comes up next he will ace that too.

Chief ALJ/Executive Director Gonzales reported that the Field Operations did not do as well in their timeliness standards for the month of January and she knows this was a continuation of leftover December issues and excess leave use. However, herself, Hugh Harrison, Steve Swenson and others are working daily with the presiding judges of all the offices to make sure that by March 31, FO will make both the case aging standard as well as the timeliness standard. After this report was done for January as we move into February they have done substantially better. The presiding judges are working very hard as well. So they are aware of the slight dip in the performance but since it is a yearly average they

are on target to improve dramatically by the end of March. That's been pretty much the goal, is working with the field on getting the numbers up since there are eight more weeks before that measure. She has been visiting with the presiding judges, giving them pep talks and having Hugh Harrison call when issues arise.

8. Chief ALJ of Appellate Operations, Elise Rose Report:

Chief ALJ of Appellate Operations Rose added her thanks to Member Ashburn for his participation on the board and for always being such a hard worker that they could reach him anytime, day or night, to push the cases through to make deadlines. In terms of decisions, she commented that whether Member Ashburn was in agreement or dissenting, he was always a gentlemen and it made it pleasurable to work with him.

Chief ALJ of Appellate Operations Rose reported that AO had a rough January, possibly a number of causes ranging from the holiday and use of excess leave to the fact that AO lost eight judges between October and the end of the year. She reported that AO has been working to improve those numbers and she's happy to report that they were able to meet the case aging this week for the first time in a couple of months. She thinks they will be able to make their numbers in March. In order to do that they have put all of their committee work on hold; the Precedent Committee, AO Standard Paragraph Committee, Long Form Review Committee and their training work. Obviously, when we get a new board member we are going to have to start doing some training but they are trying to get ahead of the curve so that won't impact them. They also are using retired annuitant Jorge Carrillo to help get on top of things. What happened in AO because of the loss of staff and other factors is they built up a lot of cases within the 60-day range and they are trying to beat those down. They are doing that and are off to the end of the elimination of that big pile of older cases. She thinks they can move forward in a more positive way.

Chief ALJ of Appellate Operations Rose reported that they had some sad news about a sudden death in Appellate Operations. One of their registration clerks, she had worked both in the field office and in Appellate Operations. One day she received a call that the employee was no longer with us. It was really a shock to everyone. They brought in some counselors and staff members seem to be doing better now. It was a real loss to the organization and she expressed her condolences to her family. Chief Rose stated that there is a view on Friday and services are Saturday.

9. Assistant to the Executive Director, Sal Cannella Report:

Assistant Chief Sal Canella also offered his congratulations to Member Ashburn for a job well done and wished him well in the future.

Assistant Chief Sal Canella reported that there are lots of activities going on in IT. Last month he reported that the automated calendaring for the field was being tested. It's been tested successfully. They are postponing the implementation until after March so that it doesn't interfere with trying to maintain the numbers for DOL but it is ready to go, it's been tested and they think it will be an outstanding help for the field to use for the limited numbers of employees to get the work done. He reported that they should be doing that in the middle of April.

Assistant Chief Sal Canella reported that on March 22, they will have a mini-upgrade for eCATS to consolidate and to fix a few little things the last major release of eCATS that was January. Minor stuff but will help to repair some of the things that had surfaced in the using of the program. In September they will have a major release of eCATS that will group together employers and employees. Currently the MST's when they are doing their verifications they have to manually find all of the employers that are associated with an employee. So it is time consuming and tedious. The new release in September will allow it to be done automatically so when an employer has multiple employees that have been laid off the program will do that automatically the staff will not have to do that manual selection.

Assistant Chief Sal Canella reported that in another couple weeks the release for the field to be able to print the decision and the cover letter at the same time. They are two to three weeks away from testing it for AO. They think that it will be successful to assist AO in trying to get both the decision and the cover letter out at the same time, not having to use two separate programs to do that.

Assistant Chief Sal Canella reported that they are in the process of replacing all of the computers in the hearing rooms. Currently they have upgraded those computers in Inland, Orange County, Oxnard, Pasadena, Sacramento, San Jose, and San Diego. The only offices that are left are Fresno, Oakland, Inland and Los Angeles and they've got a schedule to replace those computers as well. They will take the outdated ones; the ones that have reached their capacity that are no longer able to be upgraded so that the work can't be done as quickly with new computers that will allow that to function a lot better. They've also ordered and expect to get within the next 30 days, new equipment for headquarters that will increase our bandwidth from 3 megabytes to 10 megabytes which will triple the amount of data that can be transmitted back and forth, and at a faster speed and

maintain the same costs. That will be an advantage to the agency as we move into more digital information and transferring having a bigger bandwidth will allow us to do it quicker and to transfer a lot more data at the same time.

Assistant Chief Sal Canella reported that they continue to work with the Chief Counsel's Office to identify a program, that is either off the shelf or that they can develop in-house, to allow the tracking of the Writ of Mandates that the Attorney General's Office is working for us so that we can red flag when a deadline is coming up and we need to have some input when we need some information so that the Chief Counsel doesn't get caught flatfooted when a deadline is approaching and they are not aware of it.

Assistant Chief Sal Canella reported that for E-File, something that former Board Member Adkisson had talked about, that the board members when they get a case have the ability to communicate about that case with each other as opposed to having to go through the email. He reported that the email filing system is ready to be tested, it's been tested in-house, they now need some AO judges to test it before it goes live but they believe that the system is ready to go, that it will meet the needs of the board members so that as they are reviewing their case and if they need to communicate with their colleague whose been assigned to that case, they will be able to do it through this new system.

Lastly, Assistant Chief Sal Canella stated that a lot of these upgrades, a lot of the things that have been talked about over the months and years, comes from the creative minds of the people in IT. We're not brought, for most cases, an issue that needs to be resolved. They see the programs that we have, they look at what we're doing, they come to some kind of decision that maybe we can improve this. They work with the field and AO to make those improvements. He just wanted to throw some kudos to the staff at IT, that a lot of the improvements that have been seen over the months and years has come from their input, their willingness to identify what can be done better and then moving through the process to make that happen.

Chair Dresser asked when the litigation program might be ready.

Assistant Chief Sal Canella responded that they had a meeting yesterday with all of the managers in IT to go over what the needs are, what's available, and then they will go from there. They think they may have something in-house that they can modify to meet those needs. They have not reached a conclusion as yet. They are still exploring it. They don't want to rush into something that's not going to work so they are going to be deliberate in their investigation and their development before

he can actually say when they are going to do it.

10. Chief Administrative Services, Robert Silva Report:

Chief Silva also thanked Board Member Ashburn for his service and support for Admin, and speaking on behalf of Admin it has been a pleasure having him service on the board over the past four years.

Chief Silva reported that there was no overtime worked in December at CUIAB. In fact, the overtime expenditures have actually been cut in half from the last overtime report which was from the December board meeting. At that meeting he reported that CUIAB had spent \$10,400 in overtime but that figure had included erroneous charges for the payouts of some accumulated excess time that should not have been charged to overtime. So the current overtime report reflects that correction. Basically, at the halfway point of the fiscal year CUIAB has only spent \$5,000 of the almost \$82,000 allocation for overtime. At the bottom of the overtime report, the lump sum payout cost is quite a different tale. He stated that at the time of the December board meeting, the projected overage for the year in lump sum was almost \$1.1 million or basically double the total allocation for the year. At that time he reported that they fully expect that figure to greatly reduce as the fiscal year proceeds because of the high amount of lump sum pay at the beginning of the fiscal year associated with the SROA effort. However, with some sudden and unexpected employee departures the overage figure isn't reducing as rapidly as he had hoped. They have some initial data for January and it looks like at the next board meeting he will be reporting that through January we will hit our full fiscal year allocation of the \$1.1 million for lump sum payouts. There are some employees that they know are planning to separate this fiscal year that have some leave balances and with that information they have so far he does expect the almost \$900,000 overage figure reflected in this report to reach a mark under \$500,000 for the year. But we are making up a lot of ground with attritions as well as reduced expenditures for overtime, retired annuitants usage, etc. so that should more than make up for this overage that they are projecting in the lump sum payout category.

Chair Dresser asked if the overage would be about \$500,000.

Chief Silva responded that it looks like it will be under that point unless somebody decide to separate suddenly that he is unaware in the next few months. He reported that CUIAB's total personnel budget for the year as reported before is \$41.4 million. We have expenditure data through only November 2014 but based on that data we are projected to spend under that \$41.4 million mark for all combined

personnel categories. That just reiterates the fact that we have other categories that will make up for this overage.

Chair Dresser asked if he had a rough estimate about how much under.

Chief Silva replied that right now with only closed data through November 2014, it projects to \$41.2 million which is just \$200,000 under the allocation but he expects that there will be additional savings as the year progresses in personnel.

Chief Silva reported that it is that time of year when CUIAB does Call Letters. Last Thursday they distributed the annual Budget Call Letters for state fiscal year 2015/16 to all branches in CUIAB. The 15 Field Operations cost centers have until February 23rd to submit their requests to Admin Services so that they can consolidate the requests. The remaining CUIAB branches have until March 4th to submit them. Once they are received the Budget Advisory Committee will begin vetting the requests in order to begin building the budget for 2015/16. The Call Letter process also helps to identify equipment, particularly capitalized equipment, needs for the following 2016/17 fiscal year.

Chief Silva, at the last board meeting, reported that Admin Services staff would begin ordering office supplies for the 12 FO field offices. He met with field reps in late January to go over the change because there are several components to the actual process and it was mutually decided by all Field Operations management that Admin staff would take over all of the functions related to the ordering of supplies and that was implemented February 1, and it has been very smooth so far.

11. Chief Counsel's Report:

Chief Counsel Levy commented that he has worked with public boards and bodies for the last 15 years and Member Ashburn's collegiality, integrity, intellect and compassion makes him the ideal board member that others should aspire to emulate and look to for guidance. He stated it has been a privilege working with him and getting to know him and he really appreciates the opportunity he's given him as part of the board by selecting him as Chief Counsel. He hopes their professional paths cross again in the very near future. He wished him the very best in his endeavors and thanked him for his service.

Chief Counsel Levy indicated that the Litigation Report is in the packets however he calls their attention to two omissions. At the top of the report, cases pending, he recently found out that there are two cases pending on Petition for Writ of Certiorari

in the U.S. Supreme Court. They are claimant petitions that were filed in December. He will send the board copies of the petitions later. Also, at the bottom of the Litigation Report it reflects 15 affirmances and 0 reversals in 2015 year to date; he will amend that by one reversal he found out about that morning.

12. Unfinished and New Business:

No unfinished or new business.

13. Closed Session:

The Board went into closed session. No votes were reported.

Adjournment