

Chair Dresser reported that the Chief will be visiting each office every six months, alternating with his visits. The visits are intended to give them a closer look at what is happening on the ground, and to provide more opportunity for input from the field offices.

Chair Dresser reported that service level agreements with EDD are almost complete. These are very important in maintaining the level of service with the transfer of most of our administrative staff to EDD.

Chair Dresser stated that they have been trying to finish filling the positions allowed pursuant to the freeze exemptions. There are eleven positions left to be filled. As a result of retirements, more hires need to be made, and yesterday we received approval from Labor Agency for 30 additional freeze exemptions: eight ALJs; 21 support staff; and one IT person.

Finally, the Security Committee will be meeting soon, with PALJ Jasmine Mukai from the Oxnard office chairing the committee. We are going to have two staff people go and visit each office in the spring and then come up with ways to make the hearings and offices more secure.

Chair Dresser commented that the board is averaging more than 55 cases a day, and he thanked his colleagues for a huge effort in that regard.

5. Board Member Reports:

Member Garcia thanked staff for their help in moving the projects forward.

Member Howard thanked the Chair for involving her in the legislative issues, and she looks forward to the process and working with the legislature on the Governor's proposal.

6. Public Comment:

There was no public comment.

7. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Roldan reported that the field is making tremendous progress in reducing the backlog of cases, getting closer to meeting average case age, and improving its performance in time lapse. A tentative schedule has been developed for disseminating a training block to each of the field offices to replace the conference that was shelved for cost savings.

Chief ALJ/Executive Director Roldan reported that as of the end of January 2012, the open balance in all areas was 55,113 cases. A year before, at this same time, there were over 75,000 cases and two years there were over 88,000 cases. When we get to the point where the output of cases matches the input of cases on a

monthly basis, we'll have eliminated the backlog. He believes, based on the present trend, that we will have eliminated the backlog within this fiscal year. The only thing that might affect this schedule is more federal extensions. We are making the big push for the month of March so that we can have a good performance during the month DOL uses to measure compliance with the average case age requirement. In terms of time lapse, we are doing better, particularly for the 45 day time lapse, where we in the upper 20s. This is something that we were in the single digits just a few months ago. We've also either been right at or exceeding the 90 day guideline.

8. Special Assistant to the Board, Lori Kurosaka Report:

Janet Maglinte gave the report on behalf of Special Assistant Kurosaka.

With regard to the Corrective Action Plan, they met in January with EDD and representatives from the Regional Department of Labor Office to begin discussions about next year's CAP. The Department of Labor is requesting that their quarterly monitoring visit take place in late March this quarter. This meeting addresses performance during the quarter of October through December of 2011, the first quarter for the federal fiscal year. The new Regional Director is Christine Chudd, who plans to attend that meeting along with the usual regional staff.

Regarding the Enterprise Appeals Project, the project team met with the Staff Advisory Council last week, and staff had the opportunity to tour the Digital Imaging Center. We are looking forward to their assistance on redesigning the appeal forms, beginning with the board appeal form as we look toward the future imaging of that form. In addition to their work on forms, they will also be very valuable in assisting with development of the business requirements as we design that system. The project team is meeting with the Judicial Advisory Council next week on Tuesday, February 21, to continue work that they have been performing with regard to those same business requirements. The Judicial Advisory Council members will also be touring the Prison Industries Authority facility to look at some ergonomic furniture options. On February 28, we will hold an initial meeting of the Training Leaders Council where the Project Team will provide orientation on the entire project for them, and the consultants for Organizational Change Management will provide an introduction to OCM for the members.

The Feasibility Study Report for the Imaging System is going into final review with EDD Fiscal Program Division. Then it will go to Labor Agency and the California Technology Agency and the Department of Finance for final approvals. We would like to have the entire FSR through the approval process before the end of the fiscal year.

Member Garcia suggested that they have a meeting with the EDD staff, because we have a history of losing opportunities in the fiscal years with EDD holding up or changing or questioning projects. We had a history with this when we were doing the automation, we had a history with it when we went to the consultant

agreement, we lost some federal funding for which we had to reprogram some dollars.

Chair Dresser agreed, and stated he would raise the issue at Agency.

9. Chief ALJ of Appellate Operations, Elise Rose:

Chief ALJ AO Rose stated that everyone has been very helpful in orientating her to this new job, especially Jorge Carrillo who spent hours with her to provide an orientation.

Chief ALJ AO Rose reported that AO's balance of open cases has decreased for the fifth straight month, starting with last August when they had 6,423 cases, and ending last month with 2,917 cases. The case aging has also been reduced, at 37 days at the end of January, down two days from the previous month and within the 40 day DOL standard. As to time lapse, AO is not held to as strict a standard as Field Operations, but the goal is to decide 50% of our cases within 45 days. AO has not changed its numbers from December to the end of January, where it was at 17% but we have substantially improved from August when we were only at 11%. Looking at the first week in February, somehow we've climbed up to 32.5%. AO has also improved its numbers for the 75 day, actually exceeding the standard with 91% of the cases meeting the 75 day time lapse.

Chief ALJ Rose reported there are a number of projects she is monitoring, including both the Filebound paperless project and the ACSS case assignment project. When the board last met, the Filebound project was at a standstill, however as of today we have made a lot of progress and barring any unforeseen snags AO should be paperless by July 1. The ACSS case assignment system is expected to be up and running by April.

Chief ALJ AO Rose reported that the Precedent Decision Committee and Board Paragraph Committees both met in the last couple of weeks. The Precedent Committee is currently working on two potential precedent decisions, and has a list of issues that could be addressed by precedent decisions should an appropriate case be brought forward. They are working on improving the process for Field office ALJs to be able to bring issues forward for consideration by the committee.

In response to inquiry by Member Garcia, Chief ALJ AO Rose responded that the two offices currently on line for the paperless project are Oxnard and San Jose, with Orange County, Fresno, Oakland and Los Angeles scheduled to be added.

Member Garcia suggested that they take a look at adding Pasadena to that list, as a way of helping them to improve their workload to AO. She thinks that office has been consistently, while everybody has been in the 3 to 6 day range, they are in the 8 to 15 day range. Chief Rose commented that that office has improved a lot. In January they were down to 6 days. Overall the average on the flow from field offices to AO is down as well to 3.97 days. Member Garcia commented that if she

is recalling correctly, that maybe Pasadena had some staffing challenges. Member Garcia commented that you're helping strong office, which won't have any change in our bottom line numbers. All eleven of our field offices can do well but if Pasadena is still performing poorly it immediately impacts our case aging and our time lapse because that's where the bulk of the late cases are coming from. She suggested that even if it's not this project, throwing some additional resources to help get those cases in the mail would help. Something needs to happen in Pasadena. That one office is challenging our ability to meet any of these deadlines.

Member Garcia stated that another thing she wanted to bring up was the issue of transcripts. One of the things that has been holding us up was when a case goes for over an hour, we are bound by a labor agreement to do a transcript. That adds a lot of time to our processing of the cases. We've done some training for judges to not get them so gabby, get right to the point, but we need to address the transcription limitation.

10. Chief Information Officer, Rafael Placencia Report:

CIO Placencia reported that the new CUIAB public website is now up and running. The work to get it there was quite a bit and involved quite a few people, from our sponsor, Member Garcia, to others to get it exactly where it is at right now. One of the important things he wants to point out is that we have made the website much more user friendly.

CIO Placencia reported that the AO Paperless Project is something that has been in the works here at CUIAB for a while, but we are now starting to achieve some true milestones. This new system is going to provide the ability to move files electronically from start to end. We have been using a vendor to do the scanning of physical case files. If things go according to plan, we will no longer need to do that. Those files will be all electronic so there is no point in scanning, a byproduct of what we have been actually trying to do here.

CIO Placencia touched on the issue of IT service consolidation, something he stated is going statewide. We have been tasked with consolidating some of our services over to state-provided services, such as email services. The plan is to collapse all of our local email system into a statewide system by the end of June or early July. Another area that is being consolidated is the data center consolidation, moving our critical systems from HQ to a state provided service.

Chair Dresser asked when it was anticipated that would happen. CIO Placencia responded that they are trying to hit a date of August of this year to start actually using service over at that date center.

11. Deputy Director, Administrative Services Branch, Pam Boston Report:

Deputy Director Boston reported that they are working with EDD to develop the exam plan for the calendar year 2012. Hopefully they will have that information to

them the first of next week. They recently distributed the exam bulletin for the Legal Support Supervisor I & II, so they are moving forward with providing those services for us. They are also working with EDD to develop the Service Level Agreements, and she is hoping to have them signed within the next couple of weeks. They realize it is critical to get those in place so they can at least have a starting point of what we are expecting from them. They will be meeting with EDD in the near future to discuss the recruitment process.

Rob Silva provided an update on the overtime report, included in the board packet, as requested by Member Garcia at last board meeting.

12. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that we are currently carrying 298 cases. There were 17 new cases filed last month, and 12 cases were closed, all affirmations of the board's decision except one. That one involved a case in which the board reversed the lower level decision, and the board decision itself had a dissenting board member.

13. Unfinished & New Business:

Rob Silva gave the CUIAB Quarterly Budget Report, also included in the board packets. He stated that a factor that will change the estimated surplus is that, as of yesterday, CUIAB has additional freeze exemptions.

Member Garcia commented that she thinks that we need to plan for the very real possibility that there will be significantly reduced federal funding in future fiscal years. Both Chair Dresser and Chief ALJ/Executive Director Roldan agreed, and expect that next year is going to be a very lean year. Chief ALJ/Executive Director Roldan stated that they are already talking about rolling back on the use of retired annuitants. There will be a BAC meeting in March to identify exactly those things, along with any future costs that we can absorb in this fiscal year. Chair Dresser commented that if things come to that point, we should also look at our sister agencies within the Labor Agency to see if possibly the Workers Compensation Appeals Board or the OSHA Appeals Board, or Division of Labor Standards Enforcement hearing officers need help from our judges or other staff. He stated that they will make every effort to preserve staff.

14. Closed Session:

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

Adjournment