

7. Chief ALJ/Chief Executive and Acting Executive Director Report:

Chief ALJ/Acting Executive Director Alberto Roldan reported we had two successful training programs for the judges and the training materials are being posted on the Bench for future availability to new hires. A new judge academy just started on June 7.

In the month of May, because of the Memorial Day holiday and people taking time off around that holiday and because we took judges offline, there was a slight decrease in productivity. We had 39,399 new cases come in to the Department last month. The ALJs closed 37,589 cases in May. The open inventory rose slightly to 83,171 cases. The yearly average for closing cases still remains about 40,000 a month despite May's dip in productivity.

With the unemployment insurance cases we received 37,447 new cases which represents slightly above 24,000 appellants in the month of May. We closed 35,731 UI cases in May. The inventory rose to 70,234 for the first time in a number of months but the Board has managed to keep the inventory of UI matters below the 70,000 mark until this month. On the disability cases, we had 1,371 new cases in May and closed 1,276 cases during the same period. The open inventory of cases (2,891) is still much smaller than the June 2009 high of 4,478 open DI cases. Case aging and time lapse remained static at 47 days, but remains below the average for the fiscal year. The 45-day time lapse figure declined slightly in May but the 90-day time lapse measure improved to 78% of cases closed within that period for the month. Our national ranking improved during May, from 46th to 45th in the nation. The judges are doing excellent work and are working closely with their staff.

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

Special Assistant to the Board Lori Kurosaka introduced the Project Team staff. She reported on the Business Process Reengineering – Analysis & Recommended Models and introduced the consultants who are going to look at what our workload is right now and provide recommendations for a better way to do business both at EDD and CUIAB. The consultants then gave a presentation on their proposed work.

Special Assistant Kurosaka reported that the document conversion project is allowing them to recapture real estate space by scanning our files. Orange County, Inland, Oxnard, San Jose and San Diego are complete and Los Angeles and Sacramento are nearing completion. Appellate Operations is scheduled to roll their close files as well and will be joining San Francisco and probably Inglewood in the next week or so.

Special Assistant Kurosaka reported the electronic decision transfer this project continues. The UID IT staff have been phenomenal and met the project deadlines. However, because there is a huge difference in terminology between EDD and CUIAB as far as the program language and the decision language, there has been

a delay of about 3-4 weeks. We are looking at probably late July or early August for implementation in the field.

Lastly, Special Assistant Kurosaka reported the DOL has offered financial assistance and we have been working with EDD during the last month to draft two grants to cover the business processing delaying process as well as full funding for the project staffing at EDD and CUIAB for two years.

9. Chief ALJ, Appellate Operations Branch, Jorge Carrillo Report:

Chief ALJ/AO Carrillo reported dispositions as 2534, open balance is 2,886. As for timeliness DOL requires the average age of open cases to be 40 days or under and we are at 28 days so we are substantially under. We also met all three of the DOL recommended timeline standards. We closed 80% of our dispositions within 45 days, 98% within 75 days and 99.9% within 150 days. As far as additional information we have the monthly field to AO board appeal report and the numbers continue to be good -- the month of May was 5.2 days average statewide. Over the last year the field has really done a great job in terms of recognizing the importance of identifying their appeal and sending them to the board. He is commending them now for a couple of times but he wants to continue that because it really does help the Board in its processing of its cases. We also eliminated the backlog in our transcript typing by using overtime for our staff and as well as the services of an outside vendor. As a result, within three weeks we were able to bring the inventory down to basically zero. We get about 3000 worth of minutes every month and our own staff can handle close to about 2000.

Chief ALJ/AO Carrillo reported tomorrow is the effective date of the regulation changes. With every ALJ decision that is issued as of tomorrow they will be getting a notice that advises the parties of the right to exercise a board appeal when they get the ALJ decision and when they file a board appeal they will be able to ask for a copy of the record to submit additional evidence or submit Written Argument. In most cases, that process is going to save us 18 days that we normally would have had to wait once we got the appeal and advised them of their rights. This should allow us to be able to assign the board appeal files pretty much when we get the appeal.

10. Chief Information Officer, Rafael Placencia Report:

Chief Information Officer Rafael Placencia reported the ALJ Mobility Pilot project would be moved to "completed" next month. IT is issuing every ALJ a laptop computer as standard equipment. Digital Imaging is on its way to completion and the next release of our appeals tracking system, also known as CATS, will have the ability to look up these images so the end user can access the information. On the expansion of IT infrastructure projects, we have 9 sites completed out of 28. They have completed the Auto Dial System project and it is now in the maintenance stage.

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

On behalf of Deputy Director Pam Boston, Personnel Officer Elbia Jue reported that Admin Services hired 3 new staff. The board packets include the following documents: Listing of Field Position for Permanent/Full Time employee by classification and Permanent/Intermittent position; the current Exam List; and, a listing of all facilities project for Business Services statewide.

On the Relocation of CUIAB's Personnel Unit – On May 27th CUIAB and DGS staff searched some sites in the area and currently awaiting for results on which building is going to be occupied.

12. Chief Counsel's Report:

On behalf of Chief Counsel Ralph Hilton, Staff Counsel Kim Hickox reported the Board members are averaging 28 cases a day. As far as litigation we had 9 cases open this month and 4 of the cases were closed. Out of the 4 cases that were closed there were 2 reversals by the court and those reversals were simply the court reading the facts differently like what Ralph has said before the court is more sympathetic or more sensitive to the claimant. The other reversal is something we agreed to because there was some issue with the ALJ decision. Staff Counsel Hickox passed out copies of the final version of the regulations that Chief ALJ/AO Carrillo reported would be effective tomorrow.

13. Unfinished & New Business

2009/10 and 2010/11 Budget:

Ms. Renee Erwin reported on the overtime that has been worked and the dollars spent through April. Overall through April we have charged 49,800 hours that is equivalent to approximately 30 positions working full time and we have spent \$1.5 million in overtime. We have projected through the end of the year to have sufficient dollars to cover overtime.

Ms. Erwin also reviewed and updated the board on the 2009/10 3rd and 4th quarter spending plan. She also reported the VOIP Telephony project is being postponed as it has been implemented through the resources with EDD. The Board had funded \$226,000 but we have that built into IT projects for 2010/11 and about 45% of that will be rolled out in the next fiscal year.

Request for Precedent Designation, Board Case No. AO-160078

Staff Counsel Kim Hickox reported there was a request from a law firm that you designate AO-160079 as a precedent decision. An analysis of this request recommend that you do not adopt it as a precedent decision. The Board made a motion to deny the request and it was unanimously approved by the Board members present.

Status of Decision Review Pursuant to CUIC 406(b)

Chief ALJ/Acting Executive Director Roldan reported that there is only one new matter to report. There was a need to have an additional person handle this task. They recruited a retired annuitant from the Department of Justice, Mr. Gabriel Rivas who will work on this issue.

Regional Support Unit Restructure

Chief ALJ/Acting Executive Director Roldan reported that the only new development on that is the physical relocation in the Regional Support Unit properties.

Member Richardson commented that she does not know if this is an item for Steve Egan because it is in our project report or if this is something I have to work with Alberto directly on but Bill Purcell of Jorge Carrillo's shop has been looking at our hearing information pamphlet to try to clarify that when a claimant or an employer does not want to appear at the hearing, whether providing a written statement or declaration under penalty might be problematic because if the employer or the claimant show up then the in person testimony might be given more weight because that person would be cross examined. The hearing information pamphlet seems to intimate to users of the system if they show up in one of these three ways it is okay. But the problem we have been seeing in the field is when they don't show up they are not susceptible to cross examination or additional questioning on documents. If they lose their case because they made an appearance by written statement or declaration they will not have the opportunity to reopen their claim. She knows Alberto had passed this issue onto the PJs for their comment so she is hoping that they will provide us with some feedback so that we can correct this problem that seems to be ongoing.

Chief ALJ/Acting Executive Director Roldan stated the PJs have been provided a copy of the pamphlet as well as a deadline for them to get comments back to him. This will also be discussed during the PJ meeting this afternoon.

14. Public Comment:

None

15. Closed Session:

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

Adjournment