

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5548**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., December 13, 2011, in Sacramento with Chair Robert Dresser presiding.

2. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Robert Dresser, Chair	X	
Bonnie Garcia, Vice Chair	X	
Alberto Torrico	X	
Roy Ashburn	X	
Dennis Hollingsworth	X	
Kathleen Howard	X	

3. Approval of the Minutes:

The November 8, 2011, minutes were approved by all members except Member Howard, who was not on the board in November.

4. Chair's Report:

Chair Dresser thanked Board Member Dennis Hollingsworth for his outstanding work. Chair Dresser stated that Member Hollingsworth is an excellent board member who handled a very high case load. Chair Dresser also welcomed Member Katie Howard who was appointed by Senator Steinberg and the Rules Committee on December 1.

Chair Dresser mentioned that due to the economy and the continuing budget issues in State government, CUIAB will be unable to go forward at this time with two trainings sessions that were planned for next year; the support staff conference in May and the judicial and ALJA conference in September. However, the good news is that the NAUIAB conference scheduled for May 2013 is still on. The savings for the cancelation of the two trainings is \$198,000 for the support staff conference and \$227,000 for the judicial training. Senior staff is working to provide alternative training options for both the support and the judicial training, and in addition planning a support staff conference for 2013.

Chair Dresser thanked the administrative staff, many of whom are in the process of moving over to EDD, for their hard work. He stated it is regrettable that they are leaving, but once again it is one of the realities of the current economic situation, and it will save our budget about \$1.3 million.

Chair Dresser introduced a recently retired annuitant, Mr. Carl Vega, a former highway patrolman and investigator with the FPPC as well as State Contractors License Board. One of his main functions will be to help improve security at each of the offices.

5. Board Member Reports:

Member Hollingsworth thanked each of the board members and welcomed the new board member. He also thanked the ALJs, senior staff and support staff who have been so supportive. He stated that this is an agency that does not get enough good attention for the fine work it does. He appreciates all the hard work everyone does here and appreciates the friendships he has gained.

Member Torrico welcomed Member Howard to the board. He commented that he has grown to appreciate how hard the people in this agency work and how seriously they take their job. He expressed his thanks to Member Hollingsworth and stated he's really enjoyed working with him.

Member Garcia echoed her appreciation to Member Hollingsworth for his excellent service, and welcomed new Board Member Howard. She commented that as the senior member on this board one of the things they saw right up front was the impact of the furloughs and the short-sightedness of the administration; how they applied budget decisions to agencies like this one that does the people's work. She's disappointed that the training conferences were canceled. Since 2009 the agency has probably doubled its staff, and the training conferences are sorely needed. We currently have five different federal extensions, each of them with a separate rule book. While most other state agencies shut down on furlough days, our staff continued to work and had to defer those days, and it's only now that they are starting to burn off some of that time on the books. Member Garcia doesn't want the current administration to do what the previous administration did, which is to be pennywise and pound foolish by making decisions that will not only hurt our current staff and their ability to carry out their responsibilities to help the average Californian, but will also hurt our bottom line, especially because none of those dollars are general fund dollars. In fact, this is going to hurt us in future years because what we are able to bill now impacts our future allocations from the federal government. So when we cut back in our ability to deliver we are also cutting our budget short. Chair Dresser stated he appreciates Member Garcia's comments although he is a little more optimistic as to how things will work out, and he also wanted everyone to know that the Labor Agency has bent over backwards to help CUIAB get freeze exemptions and for that he is personally grateful.

Member Howard stated she is honored to have been appointed to the board and thanked everyone for the warm welcome she has received.

6. Public Comment:

There was no public comment.

7. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Roldan stated the agency has made tremendous progress this year. At the end of January 2011, the outstanding balance of cases was 75,183 and as of the end of November it had been reduced to 58,553 cases. This needs to be recognized in the context of the fact that we are still getting over 38,000 new cases every month. Another amazing statistic is that at the beginning of this year approximately 10% of the UI workload was over 90 days old. Now only 1% of the cases are over 90 days. In addition, the agency has met the quality standards for the last 18 quarters. At the same time, we have not neglected the DI cases. At the end of January 2011, 16% of the DI cases were over 90 days old but at the end of November that number had been reduced to just 4%. Another area not measured by the federal government but also important is tax. A number of months ago a decision was made to move all of the tax ALJs to doing just tax cases and not helping in the UI area. As a result they have made significant progress over the last year as well. At the end of January 2011, the balance of open cases in tax was 4,880 cases and as of the end of November that had been reduced to 4,445 cases, a significant change in the context of tax cases. An important way of looking at it is that the monthly average number of tax cases closed in 2011 was 236 cases a month, compared to 123 cases a month in 2010. Chief Roldan also believes that the change in their strategy of requiring prehearing conferences has led to identifying cases that are no longer viable.

Chief ALJ/Executive Director Roldan stated, with regard to the cancelled training conferences, that in lieu of that training they intend to send training teams office by office, to present a few of the blocks of instructions that were being pulled together for the academy.

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

Special Assistant Kurosaka reported that we continue to meet all milestones in our corrective action plan. Also, at the administration's request we provided a three-page list of operational efficiencies implemented by the CUIAB, which was well-received.

One additional over estimate in EDD costs in the Imaging Feasibility Study Report was found, and we are working to correct that for a final this week. We are also working with EDD on a funding strategy. Unfortunately, EDD has earmarked \$159 million for the UI monitoring station, none for the appeals program.

Special Assistant Kurosaka reported that they began testing with EDD on the DI decisions and Paid Family Leave decisions under the Electronic Appeals Decision project, and all is going very well. EDD is proposing to go live on Thursday of this week.

Special Assistant Kurosaka reported regarding the Closed File Archive Scanning

project that six of the field offices have completed closed-case filing through late 2011, and they have extended the vendor contract through December 2012 to accommodate the other offices who are still working on their scanning.

Finally, we have completed Phase 1 of the website refresh. Special Assistant Kurosaka thanked Jeff Stiliz, Janet Upton and Mandy Garcia for all their work in completing the content within 40 days. She presented an overview of the website to the board with Member Garcia. Member Garcia also thanked the staff for their efforts. Member Garcia commented that the old site had some very generic information. The new site has very specific information which is repeated five or six different times, imbedded in different areas so that you don't have to navigate backwards. Information that is important, for example; location of our offices, information about the code sections that are relative to the notice that you're receiving, reports and statistics that the media can draw from, are easily accessible and the website looks nicer too. Chair Dresser thanked Member Garcia for doing a wonderful job on the website. He knows there was a challenge of competing resources and he thinks it was managed very nicely. Phase 2 of this project will be simplifying the language. What they did was move some of the existing stuff over so it's not yet at the very best that it can be. She also commented that one thing that was not on the old website: what is CUIAB, the history of CUIAB, the fact that it was created by the legislature, that it is a court system, things that will provide a little bit more information for the general public and the media. Special Assistant Kurosaka stated that they will be updating the website with monthly statistics on caseload.

9. Chief ALJ of Appellate Operations, Jorge Carrillo:

Presiding ALJ Joel Contreras reported on behalf of Chief ALJ AO Carrillo. Presiding ALJ Contreras reported that in November AO registered 3,341 new board appeals and closed 3,130. This is one of the first months in which they have actually been able to reduce the backlog and their current backlog is the lowest it's been since February 2011, at 5,365 cases. They are currently meeting case aging requirements, and also making progress on time lapse. They have met both the 75 day and the 150 day time lapse requirements, but they have not met the 45 day goal yet. PALJ Contreras thanked field ALJs Kim Steinhardt, Renee Lias, Rebecca Bach and Cynthia Thornton for their contribution in helping AO meet those requirements.

10. Chief Information Officer, Rafael Placencia Report:

CIO Placencia reported that the AO Paperless Project is doing well and they hope to have the system meet the target date of full implementation in June 2013. As the project stands today, it is in live testing, where cases are being completed fully electronically through the process along with the existing manual process in place. They are going to use the same software for implementing the paperless 406(b) process.

CIO Placencia reported that Phase I of the Automated Case Scheduling System is on task for implementation in late March.

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

Deputy Director Boston reported that the administrative consolidation is moving forward. They have met with the unions and are working through their concerns, nothing major. The primary issues are the parking downtown and the work hours. EDD does not allow their managers to do 4/10/40 schedules and the support staff have to work within core hours. Deputy Director Boston reported that they are working on developing Service Level Agreements with EDD. The first group, Business Services, is moving today. The entire move will be complete on January 10. Rob Silva is working on the developing the Liaison Unit and putting policies and procedures into place.

Deputy Director Boston reported that they are currently conducting exams for CEA-IV, Appellate Operations Chief; Administrative Law Judge II, and Legal Support Supervisor I & II.

12. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that six new cases were filed last month, and twelve were closed. Just two of those closed were reversals. In one case the court simply disagreed with the board's view of the facts, and in the other decision the court did not explain the reasons for its reversal.

13. Unfinished & New Business:

No unfinished or new business.

14. Closed Session:

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

Adjournment