

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5644**

Open Session

The Appeals Board convened at 1:00 p.m., July 17, 2019, in Sacramento with Chair Marty Block presiding.

1. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Marty Block, Chair	x	
Dan Reeves, Vice Chair	x	
Mike Eng	x	
Michael Allen	x	
Ralph Lightstone	x	

2. Approval of the Minutes:

The June 19, 2019, Meeting Minutes were approved unanimously.

3. Chair's Report:

Chair Block reported that these meetings will be live-streamed starting next month, and in the meantime today's meeting would be videotaped and then posted to the CUIAB website. Chair Block stated live streaming Board meetings will provide transparency and allows people to see the Board at work. He also reminded viewers that although the Board only meets once a month, the majority of the work is done between meetings, as they adjudicate appellate cases. Chair Block reported the Board reviewed and resolved 851 appellate cases in the past month.

Chair Block reported Member Allen and he both attended confirmation hearings on July 3 before the Senate Rules Committee. It went well and the Senate Rules Committee voted unanimously, 5-0 bipartisan, to recommend approval of both appointments to the full Senate. The Senate has gone on recess, but when they return to session they will vote on the confirmations.

Chair Block reported Executive Director Gonzales and he went to the National Association of Unemployment Insurance Appeals Professionals (NAUIAP) held in June. He said it is always a very interesting meeting with many folks appearing from around the country.

The representatives from the Department of Labor (DOL) gave an update regarding some upcoming changes, and in particular some personnel changes in our region. Chair Block noted DOL created new training materials which we will be able to use.

Chair Block reported the best thing about the conference was being able to work with other folks who do the same thing we do and to hear how different we are but how we face similar challenges.

Chair Block said he presented a session at NAUIAP on on-boarding new Members and various best practices for higher authority. At NAUIAP they call the Board, higher authority and the Field Offices, lower authority. Many states do not have an operation like CUIAB. In some states, higher authority and lower authority share one office or some states do not have the option for dissatisfied parties to appeal to higher-level authority. The only appeal is to the courts, which means they have an added expense that Californians do not have. Very few Californians end up in Superior Court, with its attendant fees and costs.

Chair Block reported other NAUIAP sessions included judicial ethics, evidence, judicial demeanor, and credibility issues. He said an interesting topic was marijuana usage outside of work and how it might impact work, now that marijuana is legal in some states. He said recession planning was a hot topic as well as how to deescalate heated situations between judges and parties. Chair Block stated again the best part of the conference is getting to know people from different areas so we can call them with questions when something arises in California that is similar to something in other states.

Chair Block recommends the NAUIAP for all the Board Members. This year they were approved only for Executive Director Gonzales and himself, but he said they will continue to request permission for more Board Members to attend next year.

Chair Block reported he attended the monthly Labor and Workforce Development Agency (LWDA) meeting. Labor Secretary, Julie Su, requested everyone come prepared to share highlights of what their department is doing related to the Governor's three lenses. The Governor wants to see more affordability in California government, he wants to see justice for all Californians, and he wants to see us getting more effective and efficient.

Chair Block reviewed the update he gave at the LWDA Meeting, starting first with the one thing CUIAB does in California which some other states do not, is provide no-cost access to hearings, both at the lower level and at the appellate level. No attorneys or representatives are necessary, some choose to use, but basically you

have free access to justice and to the unemployment system. Chair Block commented that the Employment Development Department (EDD) does a great job on their determinations, that 90% of the time determinations are accepted by the parties.

Second Chair Block said when it comes to making justice accessible to all, our agency is working on making our paperwork easier to understand, plain language instead of legalese. Most parties are not trained in the law and some of our current documents can be hard even for lawyers to understand. He noted that Secretary Su thought it was beneficial that we put everything in plain English.

As to efficiency in government, Chair Block reported CUIAB has plans to send all managers through LEAN Sigma Yellow Belt training, the course recommended by the Governor's Office. It is a three-and-a-half-day training which shows people how to minimize waste in their departments and to utilize resources most effectively. The feedback from managers who attended has been very positive.

4. Board Member Reports:

Vice-Chair Reeves no report.

Member Eng thanked Chief ALJ/Executive Director Gonzales for providing the contact information for questions he raised at the last meeting. He also thanked Presiding Administrative Law Judge, Irene Server for the allowing him to visit the Pasadena Office of Appeals. He said the Pasadena Field Office is nice with friendly staff and he appreciated the visit

Member Lightstone stated he liked the idea of making the agency forms simple for people. He commented very few people are represented on either side by lawyers during the appeal process. Making the process work for people can be confusing but anything we can do to advance the ease of the process is good.

Member Allen thanked everyone he had reached out to for articles for the CUIAB newsletter. He said the newsletter is coming together and that it would not be possible without the help of staff and especially Assistant Executive Director Lori Kurosaka. He also reminded those who had not submitted articles yet to submit them soon so that they could be included in this newsletter. He concluded by thanking all levels of the agency. He said when things are going well it is not by accident. It is by all the hard work at every level of our agency.

5. Public Comment

No Public Comment.

6. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales reported the Field Offices continue to meet and exceed the timeliness standards by closing 75.8% of their cases in 30 days, clearly exceeding the standard of 60%. They closed 94.6% of the cases in 45 days, the standard is 80%. The average age of pending cases is 24.4 days, and the standard is 30 days or under.

Executive Director Gonzales reported another standard we are measured by is Quality Review, which is reviewed on a quarterly basis. Cases are pulled randomly throughout the state and reviewed to ensure they satisfy the Federal Department of Labor Standards for quality. Each state performs its own internal review, and then the states get together in Washington to cross-check each other's work to ensure each state is being fair with assessments of the quality of judges work. Executive Director Gonzales said all of this review work used to fall to just one of our Presiding Judges, but we have cross-trained and expanded this responsibility to two more Presiding Judges. Executive Director Gonzales reported the Field is progressing well.

Executive Director Gonzales reported on the Presiding ALJ Meeting held in June, stating that the PALJ's expressed they were happy to talk to the Board Members and listen to them speak and to match a name to a face. She said the Presiding ALJ Meeting was very successful and it is always good to get the Field Offices together to problem solve and exchange ideas.

Executive Director Gonzales echoed Chair Block's comments that the NAUIAP meeting was very informative and helpful. We see other states face similar issues dealing with personnel, ALJ Training, recessions, small budgets and too much work. She agreed it would be great if more Board Members could attend. They heard an Indiana Supreme Court Justice speak on a high level of "what is justice" and the importance of justice at every level. The ALJ's in California and in most states are subject to a code of judicial ethics that are the same as higher courts. It is important to maintain the integrity of the work we do, and monitoring the daily work of the ALJ's is an essential component of what we do. She said she came back with a renewed sense of the attention needed to this area. She also commented on the new training modules developed by the DOL for training new hearing officers, which could be used for training purposes for our ALJ's. Executive Director Gonzales reported that

all of the NAUIAP sessions, PowerPoint presentations, and handouts are available online on the NAUIAP Website. All CUIAB ALJ's are Members of NAUIAP as well as the Board Members.

Executive Director Gonzales reported one security issue in Bakersfield, an outstation of the Oxnard Office of Appeals. There was contention between parties in a hearing and the Bakersfield Police Department was called in error, rather than CHP. Executive Director Gonzales said this will be usable for training to ensure all Field Offices are aware of the proper protocol. The Field Offices have been trained to call CHP first, but this protocol will be reinforced.

Chair Block asked Executive Director Gonzales if it was correct that CUIAB has met Quality Review Standards for the past 14 years. Executive Director Gonzales stated we have met all Quality Review Standards for a minimum of 14 years.

Member Allen inquired about the NAUIAP website, and Executive Director Gonzales stated she would send a link to the website.

7. Presiding ALJ of Appellate Operations, Jodi Remke Report:

PALJ/AO Remke reported on the Performance Indicators for Appellate Operations (AO). She said the Board continues to meet and exceed the DOL standards. The percentage of cases closed in 45-days or less is at 95 % and the standard is 50%. The percentage of cases closed in 75-days is at 99%, the standard is 80%. Case aging for pending cases is 19.8 days, the standard is 40 days or less. The case age was a slight increase from the previous month but PALJ/AO Remke said it could be attributed to staff taking some time off for summer vacation. Overall AO is doing fine.

8. Chief Information Officer, Jeff Willoughby Report:

CIO Willoughby reported construction will start the week of July 29th for video streaming and hardware installation. He said it will be ready for the August Board Meeting.

CIO Willoughby reported the Appeals Modernization efforts continue. The Business Analysts and Project Management Teams are working with the Department of Technologies enterprise architects and putting together a request for information which we will put out to our vendor community. They will look at our requirements and then we will start the process of down-selecting our vendors, landing on a solution and architecting it.

CIO Willoughby reported on the Department of Technology Audit. He said the Audit Staff from Department of Technology has not delivered their initial findings. ISO Sonja Teamer, who has an extensive audit background is already working on preliminary process procedure and policy documents that they believe will be required, based on conversations with the Audit Team. They are working on laying a foundation as they wait for the Audit Team information.

CIO Willoughby stated that the Windows 10 Project is almost complete. He is hopeful they will be done by the August Board Meeting.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva discussed the Monthly Overtime and Lump Sum Payout report set forth in the meeting packets.

Chief Silva reported an upcoming meeting in August with the Employment Development Department (EDD) Fiscals Programs Division at which we will receive our official Budget allocations for the state fiscal year 2019/20. Branch leadership will have to determine the approvals and deferrals of the Personnel and Operating Expense branch requests within the scope of those allocations.

Chief Silva gave an update on a contractual issue. The struggle was to find a Northern California Moving contract. The previous vendor showed no interest in rebidding for the contract and there were no other bids. To resolve the issue EDD has allowed CUIAB to use their five Northern California vendor contracts for moves or transportation work. Those vendors will directly invoice CUIAB for work that will be done. Chief Silva reported southern California moving and transportation needs are satisfied by one vendor from Bakersfield to Calexico.

Chief Silva reported that since 2012 CUIAB has had a memorandum of understanding with EDD to perform certain administrative functions, such as payroll, accounting, procurement etc. He said EDD indicated they had questions with the updated service level agreement in the area of tracking and surveying equipment/ furniture. Chief Silva hopes they will resolve EDD's concerns and he expects a quick resolution.

Closed Session:

The Board adjourned Open Session at 1:28 p.m. The Board commenced a Closed Session at 1:30 p.m. Closed Session was adjourned at approximately 1:40 p.m.

Open Session:

The Board reconvened in Open Session at approximately 1:42 p.m. Chair Block reported that no votes were taken in Closed Session and that there was nothing further to report.

Adjournment