

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Reorganize CUIAB senior management structure	Reduce costs, centralize decision making, improve communications, improve efficiency	Increase transparency, eliminate duplication of work, streamline decision making and implementation, and place new management team	Change is difficult, possible temporary interruption	CUIAB EDD Claimant Employer	X		
Institute CUIAB senior management personnel changes	Obtain new ideas and fresh review of policies and procedures, improve communications, focus management team	Increase transparency, promote the development of new ideas, explore innovative approaches, streamline decision making and implementation, and establish strong management team	Loss of institutional knowledge	CUIAB EDD Claimant Employer	X		
Request furlough exemption from Governor's Executive Order furloughing all staff 2 days per month	CUIAB funded by Federal government therefore no savings to California, heavy workload requires we work five days a week, get decisions out faster	Maximize use of staff and facility, improve morale	Create dissention with other state offices	CUIAB Claimant Employer	X		
Request layoff exemption from Governor's Executive Order laying off 20% of the staff.	CUIAB funded by Federal government therefore no savings to California, heavy workload requires we work five days a week	Maximize use of staff and facility, improve morale	Create dissention with other state offices	CUIAB Claimant Employer	X		

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**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Simplify the hiring and training of ALJs and support staff.	Insure current list, hire best qualified employees	Reduce hiring time, attract best qualified employees, and streamline training	Increase adverse hiring decisions; may affect quality review standards	CUIAB Parties	X		
Develop standardized Interview instruments.	Reduce hire time, promote hiring efficiency, insure EDD compliance, insure quality hires	Reduce hiring time, comply with EEO standards, and hire best qualified	Reduced hiring flexibility	CUIAB Claimant Employer		X	
Change ALJ exam process from in-person written test to continuous on-line filing.	Reduce time required to hire, insure applicant pool is current, hire best qualified	Reduce hiring time, and avoid outdated hiring list	None foreseen by CUIAB	CUIAB Claimant Employer	X		
Establish electronic document transfer between EDD and CUIAB.	Reduce mailing time, improve accuracy, speed payment to claimants, get decisions out faster	Substantially reduce mailing time, exponentially speeds claimant payments	None foreseen by CUIAB	EDD CUIAB Claimant			X

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**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Conduct pilot calendaring hearings immediately upon receipt of appeal transmittal.	Provide parties with more hearing notice, relieve claimant anxiety, reduce calls from parties inquiring about hearings, get decisions out faster	Speeds calendaring which results in the parties receiving hearing notice faster, after backlog is reduced is expected to result in earlier hearings, ensure transparency in setting appeals	Loss of individual preference, decreased morale	CUIAB Claimant Employer	X		X
Develop and implement an electronic calendaring system based on ALJs skill sets and availability.	Speed calendaring, even work and travel, increase efficiency.	Speeds calendaring which results in the parties receiving hearing notice faster, after backlog is reduced is expected to result in earlier hearings, ensure transparency in setting appeals	Loss of individual preference, decreased morale	CUIAB Claimant Employer			X
Require ALJs to electronically review and transmit their decisions to EDD for mailing.	Speed decision, eliminate paperwork, waiting time, reduce support staff workload, and get decisions out faster	Speed decisions	Increased learning time, decreased morale among existing ALJ's	CUIAB Parties	X		
Use EDD mailing center to mail ALJ and Board decisions. Serve EDD electronically.	Reduce mailing time, increase efficiency, eliminate paperwork, reduce support staff workload, and get decisions out faster	Speed decisions, decreased costs	Perception decisions improperly mailed by EDD	EDD CUIAB Parties	X		

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**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Electronically transfer case between field offices.	Reduce mailing time, increase efficiency, maximize and equalize caseload, meet demands of high number of unemployed, and get decisions out faster	Maximize efficiency, equalize workload, and reduce mailing time	Cost of scanning case file	CUIAB Parties		X	
Change Field ALJ holiday work week to 5-8-40.	Increase efficiency, regain lost case due to 4-10-40 holiday work week, meet DOL time lapse requirement, meet parties needs, and get decisions out faster	Add a case per week during holiday weeks, reduce backlog, increase number of claimants/employers receiving timely decisions	Decreased morale	CUIAB Parties	X		
Have FO ALJ Administrative Offices decide all late and reopening issues.	Reduce unnecessary hearings	Eliminate setting frivolous cases for hearing, and reduce backlog	Possibly dismiss a timely case	CUIAB Parties		X	
Promote ALJ's to ALJII's, permitting case load increase.	Increase efficiency, increases caseload and ability to hold mass calendars, meet DOL time lapse requirements, improve services to the public, and get decisions out faster	Increased number of decisions per ALJ, increased pay, and increased morale	Increased salary costs	CUIAB Parties	X		

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Increase case load for FO and AO ALJ's. Require renegotiation of MOU.	Increase efficiency, increase output to meet DOL time lapse requirements, improve service to the public, and get decisions out faster	Increase number of decisions	Requires union negotiations	CUIAB Parties		X	
Review registration program.	Increase efficiency and output, reduce support staff time, and get decisions out faster	Speed registration, improve quality, and reduce support staff workload	Investigation costs and increased implementation costs	CUIAB Parties		X	
Review mailing process.	Increase efficiency, reduce costs, reduce support staff time	Speed decisions, decreased costs	Investigation costs and increased implementation costs	CUIAB Parties		X	
Conduct pilot telephone appeal hearings.	Permitting workload to be managed statewide, equalize workload between field offices, reduce travel expenses, improve efficiency, and get decisions out faster	Conduct hearings from any location statewide; equalize workload among offices; reduce commute for claimants/employers	Reduces personal contact, possible decreased ability to judge credibility	CUIAB			X

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Develop pro tem ALJ program to hear one party cases.	Reduce backlog, improve efficiency, increase flexibility, and get decisions out faster	Speed decisions, and reduce backlog	Possible increased costs, uneven quality control, prohibited or restricted by Federal laws	CUIAB Parties	X		
Implement pro tem ALJ program to hear one party cases.	Reduce backlog, improve efficiency, increase flexibility, and get decisions out faster	Speed hiring, reduced employee benefit cost, and rapid downsizing once backlog is under control and increased staff is no longer needed	Unknown quality and quantity of potential ALJ's	CUIAB Parties	X		
Investigate Office of Administrative Hearings ability to decide cases.	Reduce backlog, improve efficiency, increase flexibility, and get decisions out faster	Speed decisions and reduce backlog	Unknown quality control, possible increased costs	CUIAB Parties	X		
Develop orientation film to introduce claimants to hearing process and answer FAQs. To be displayed on website and in reception area.	Reduce hearing time, increase parties understanding of hearing process, reduce claimant stress, enable claimant to better prepare for hearing, increase hearing quality, insure due process	Reduce hearing time, improve hearing quality, and ensure due process	Increased development and implementation costs; may require claimants to arrive very early to both view the video and review file; not all populations we serve have internet access or know-how	CUIAB Parties	X		

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Require FO to overnight appeals to AO daily.	Reduce mailing time, speed decisions	Reduce mailing time	Increased mailing costs, increased pressure on FO support staff	CUIAB Parties	X		
Amend AO Notice to Parties form, permitting appellant to waive written agreement, record request and motion to supplement record.	Increase efficiency, make appealing quicker and easier, speed decisions	Speed decisions	Added confusion for appellant, possible perceived reduction of fairness	CUIAB Parties		X	
Pilot telephone menu options.	Improve service to the public, increase efficiency, allow support staff to spend time responding to non-routine questions.	Improve service to the public, support staff can concentrate on non-routine issues	Reduced personal contact	CUIAB	X		
Permit AO appeals to be filed online.	Increase efficiency, make appealing quicker and easier, speed decisions	Speed decisions	Unavailable to parties lacking computer access	Parties		X	

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

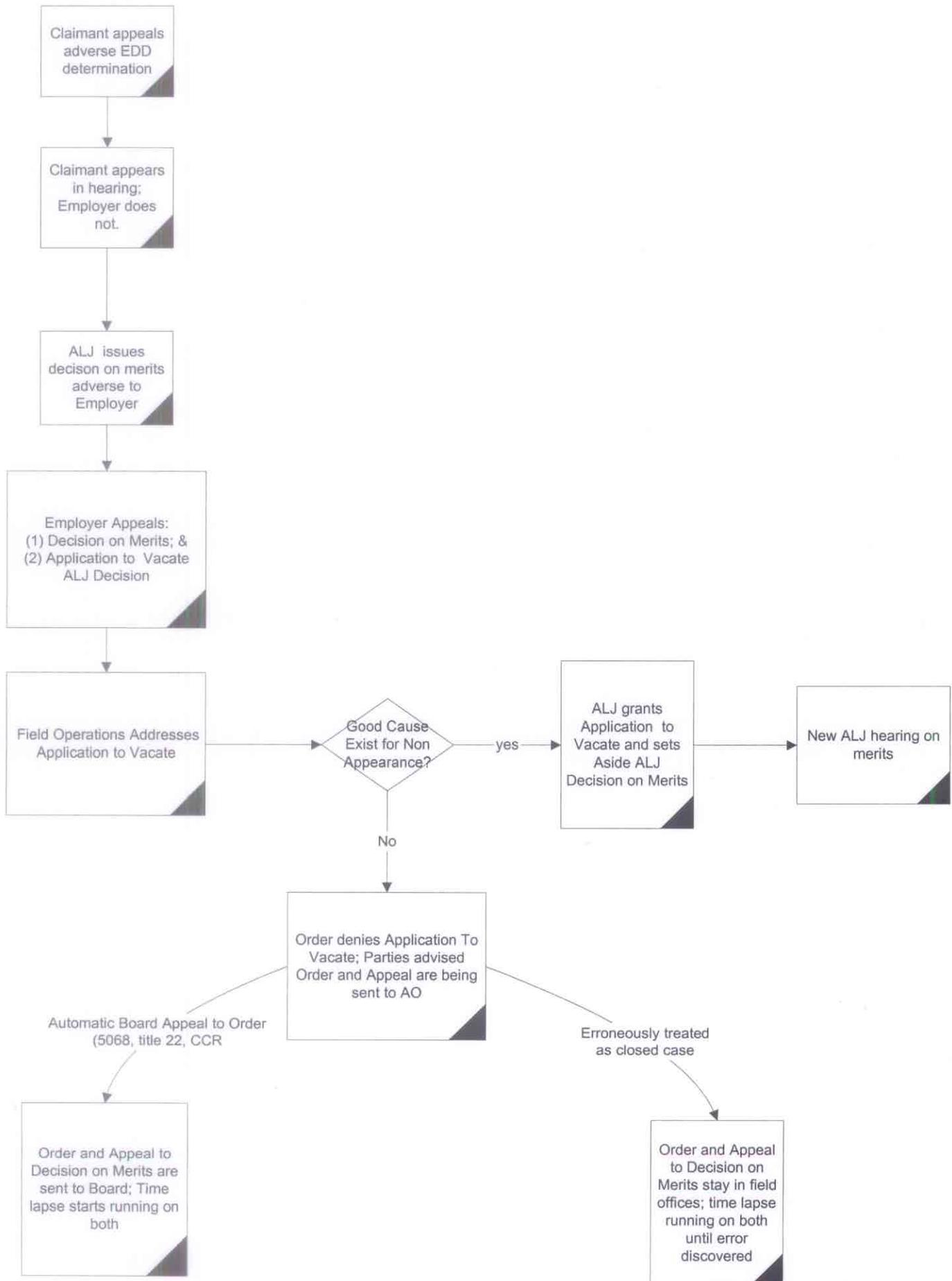
**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Amend AO Notice to Parties form in single party case to permit appellant to waive right to written argument, record request, supplement record and to request an expedited review.	Increase efficiency, make appealing quick and easier, speed decisions	Speed decisions	Possible added confusion for parties and perceived due process issues	Parties		X	
Amend AO form Notice to Parties form, inform them if they file a late Board appeal, they must set forth the specific reason the appeal is late.	Increase efficiency, speed decisions, dismiss late appeals	Eliminate unnecessary appeals, reduce backlog	Perceived interference with due process, possible added confusion to the parties	CUIAB Parties		X	
In AO two-party case, if the record is requested by any party, immediately send a copy to the other parties.	Increase efficiency, speed decisions.	Speed decisions	Increased costs and lost revenue	Parties		X	
Require AO ALJs to work 5-8-40 in the office.	Increase efficiency, speed decisions.	Increased efficiency, reduced typing and review time, meet Time Lapse measurement standard, more access to the public	Major resistance, possible decreased morale	CUIAB Parties		X	

CUIAB & EDD 2009 ACTION PLANS FOR IMPROVING APPEALS TIMELINESS

**CUIAB ACTIONS**

Action Items	Reasons For These Actions	Pros	Cons	Who Benefits	Short Term Solution (Six Months)	Mid-Term Solution (One Year)	Long-Term Solution (One+Years)
Increase hiring AO ALJ's and support staff.	Speed decisions.	Speed decisions	Increased hiring and training costs	CUIAB Parties	X		
Appoint Assistant Secretary-Appellate Operations, Labor Workforce Development Agency to be point person to eliminate backlog.	Increase efficiency, reduce backlog	dedicated agency person capable of working with EDD and CUIAB	Increased personnel costs	EDD CUIAB Parties	X		
Amend AO Notice to Parties in single party case to request expedited decisions.	Speed review	speed decisions, meet time lapse	possible confusion to appellants	CUIAB Parties	X		



## FO to AO BOARD APPEAL CASES

(Query of March 2, 2009)

Feb. 1 thru Feb. 28, 2009			Jan. 1, 2009 thru Jan. 31, 2009	
Office	#Days	#Cases	Office	#Days
Fresno	7.83	102	Fresno	7.32
Inglewood	10.20	135	Inglewood	8.46
Inland	8.98	100	Inland	6.30
Los Angeles	8.38	86	Los Angeles	8.01
Oakland	9.65	60	Oakland	11.86
Orange co.	7.57	82	Orange Co.	5.88
Oxnard	6.29	78	Oxnard	6.14
San Francisco	7.95	78	San Francisco	8.12
San Jose	11.45	55	San Jose	17.22
Tax Office	16.50	20	Tax Office	9.68
Pasadena	11.63	73	Pasadena	13.27
Sacramento	5.79	143	Sacramento	5.81
San Diego	9.11	91	San Diego	7.62
TOTAL	8.68	1103	TOTAL	8.19

PHASE II - UI WORKLOAD REDUCTION and EFFICIENCIES PLAN  
 2008-09 BUDGET IMPACT

**BUDGET**

**2008-09 BUDGET RESERVE**

Cumulative Reserve  
 Option A      Option B

1ST and 2ND QUARTER INCREASED EARNINGS	\$ 1,431,196	\$ 1,431,196
3RD and 4TH QUARTER INCREASED EARNINGS - ESTIMATES	\$ 1,431,196	\$ 1,431,196
ALJ 4% COLA - potential unspent allocations if MOU not approved/ratified	\$ 1,364,120	\$ 1,364,120
100% FUNDING FOR OVERBASE - potential reimbursement if funding increased from 32%		\$ 11,893,054
<b>TOTAL</b>	<b>\$ 4,226,512</b>	<b>\$ 16,119,566</b>

PROPOSED PHASE II PLAN  
FIELD OPERATIONS

UI WORKLOAD REDUCTION and EFFICIENCIES PLAN - SCHEDULE  
PHASE III and 75% ALJ II TEAM CALENDAR PARTICIPATION BI-MONTHLY

VERIFICATIONS INCREASE 25% OVER 2008 AVERAGE

The 2008 annual average registrations was 26,534 at a 24% increase to 2007 of 21,401.  
January 2009 registrations were 32,162. This is a 33% increase over January 2008 registrations of 24,049.

	Verifications	Dispositions	Difference	Open Balance
<b>February 2009</b>				<b>73,263</b>
PHASE I - 548 Dispositions from 4 ALJ I hires in Nov. 08	33,168	26,211	-6,957	80,220
March				
548 Dispositions from 4 ALJ I hires in Dec. 08				
HIRES - +18 ALJ I hires in Mar. 09 (combination of Feb./Mar./Apr./May)				
April				
PHASE II - 75% of ALJ IIs (81) Team Calendars 2/Mo. +1,702 Dispositions per mo.	33,168	28,461	-4,707	84,927
548 Dispositions from 4 ALJ I hires in Jan. 09				
May				
PHASE II - HIRES - +20 ALJ I hires (of 40) in May 09	33,168	28,461	-4,707	89,634
June				
2,466 Dispositions from 18 ALJ I hires in Mar. 09				
HIRES - +20 ALJ I hires (of 40) in June 09 (Appellants = 27/wk.)				
July				
33,168	30,927	-2,241	94,116	
August				
2,740 Dispositions from 20 ALJ I hires in May 09	33,168	33,667	499	93,617
Sept.				
2,740 Dispositions from 20 ALJ I hires in June 09	33,168	36,407	3,239	90,378
October				
33,168	36,407	3,239	87,139	
November				
33,168	36,407	3,239	83,900	
December				
33,168	36,407	3,239	80,661	
January 2010				
33,168	36,407	3,239	77,422	
February				
33,168	36,407	3,239	74,183	
March				
33,168	36,407	3,239	70,944	
April				
33,168	36,407	3,239	67,705	
May				
33,168	36,407	3,239	64,466	
June				
33,168	36,407	3,239	61,227	
July				
33,168	36,407	3,239	57,988	
August				
33,168	36,407	3,239	54,749	
September				
33,168	36,407	3,239	51,510	
October				
33,168	36,407	3,239	48,271	
November				
33,168	36,407	3,239	45,032	
December				
33,168	36,407	3,239	41,793	
January 2011				
33,168	36,407	3,239	38,554	
February				
33,168	36,407	3,239	35,315	
March				
33,168	36,407	3,239	32,076	

When the Open Balance equals Dispositions, timelapse and case aging are achievable.

ALJ II Team Calendars - base monthly cases assigned = 158	ALJ's Add. Dispos./Mo.	Total Dispos	Phase I less 558
PHASE I - 1 Team Calendar/Mo. 40 ALJ IIs	40	14	558
PHASE II - 2 Team Calendars/Mo. 50% ALJ IIs	54	28	1,507
2 Team Calendars/Mo. 75% ALJ IIs	81	28	2,260
			1,702

PROPOSED PHASE II PLAN  
FIELD OPERATIONS

UI WORKLOAD REDUCTION and EFFICIENCIES PLAN - SCHEDULE  
PHASE I/II and 100% ALJ II TEAM CALENDAR PARTICIPATION BI-MONTHLY

VERIFICATIONS INCREASE 25% OVER 2008 AVERAGE

The 2008 annual average registrations was 26,534 at a 24% increase to 2007 of 21,401.  
January 2009 registrations were 32,162. This is a 33% increase over January 2008 registrations of 24,049.

	Verifications	Dispositions	Difference	Open Balance
<b>February 2009</b>				<b>73,263</b>
PHASE I - 548 Dispositions from 4 ALJ I hires in Nov. 08	33,168	26,211	-6,957	80,220
March				
548 Dispositions from 4 ALJ I hires in Dec. 08				
HIRES - +18 ALJ I hires in Mar. 09 (combination of Feb/Mar/Apr/May)				
April				
PHASE II - 100% - 108 ALJ IIs Team Calendars 2/Mo. +2,455	33,168	29,214	-3,954	84,174
548 Dispositions from 4 ALJ I hires in Jan. 09				
May				
PHASE II - HIRES - +20 ALJ I hires (of 40) in May 09 (Appellants = 27/wk.)	33,168	29,214	-3,954	88,128
June				
2,466 Dispositions from 18 ALJ I hires in Mar. 09				
HIRES - +20 ALJ I hires (of 40) in June 09 (Appellants = 27/wk.)	33,168	31,680	-1,488	89,616
July				
33,168	31,680	-1,488	91,104	
August				
2,740 Dispositions from 20 ALJ I hires in May 09	33,168	34,420	1,252	89,852
Sept.				
2,740 Dispositions from 20 ALJ I hires in June 09	33,168	37,160	3,992	85,860
October				
33,168	37,160	3,992	81,868	
November				
33,168	37,160	3,992	77,876	
December				
33,168	37,160	3,992	73,884	
<b>January 2010</b>				
33,168	37,160	3,992	69,892	
February				
33,168	37,160	3,992	65,900	
March				
33,168	37,160	3,992	61,908	
April				
33,168	37,160	3,992	57,916	
May				
33,168	37,160	3,992	53,924	
June				
33,168	37,160	3,992	49,932	
July				
33,168	37,160	3,992	45,940	
August				
33,168	37,160	3,992	41,948	
September				
33,168	37,160	3,992	37,956	
October				
33,168	37,160	3,992	33,964	
November				
33,168	37,160	3,992	29,972	
December				
33,168	37,160	3,992	25,980	
<b>January 2011</b>				
33,168	37,160	3,992	21,988	

When the Open Balance equals Dispositions, timelapse and case aging are achievable.

ALJ II Team Calendars - base monthly cases assigned = 158	ALJ's Add. Dispos/Mo.	Total Dispos	Phase I less 558
PHASE I - 1 Team Calendar/Mo. 40 ALJ IIs	40	558	
PHASE II - 2 Team Calendars/Mo. 50% ALJ IIs	54	1,507	949
2 Team Calendars/Mo. 75% ALJ IIs	81	2,260	1,702
2 Team Calendars/Mo. 100% ALJ IIs	108	3,013	2,455

PROPOSED PHASE II PLAN  
**APPELLATE OPERATIONS**  
**PHASE I - UI WORKLOAD REDUCTION and EFFICIENCIES PLAN - SCHEDULE**

**VERIFICATIONS INCREASE 25% OVER 2008 AVERAGE**

Based on the 2008 average board appeal rate of 5.8% to Field Operations dispositions

	Verifications	Dispositions	Difference	Open Balance
<b>February 2009</b>				<b>1,986</b>
March	1,488	1,483	-5	1,991
April	1,520	1,483	-37	2,029
<b>PHASE I - HIRES - 2 ALJ I hires in Feb. 09 delayed to April (Appellants = 24/wk.)</b>				
May	1,651	1,483	-168	2,196
June	1,651	1,655	4	2,192
172 Dispositions from 2 ALJ I hires in Feb. 09				
July	1,794	1,655	-139	2,331
August	1,794	1,655	-139	2,470
Sept.	1,953	1,655	-298	2,767
October	2,112	1,655	-457	3,224
November	2,112	1,655	-457	3,681
December	2,271	1,655	-616	4,296
<b>January 2010</b>	2,271	1,655	-616	4,912
February	2,271	1,655	-616	5,527
March	2,271	1,655	-616	6,143
April	2,271	1,655	-616	6,758
May	2,271	1,655	-616	7,374
June	2,271	1,655	-616	7,989
July	2,271	1,655	-616	8,605
August	2,271	1,655	-616	9,220
September	2,271	1,655	-616	9,836
October	2,271	1,655	-616	10,451
November	2,271	1,655	-616	11,067
December	2,271	1,655	-616	11,682
<b>January 2011</b>	2,271	1,655	-616	12,298

When Dispositions equals Verifications,  
timelapse and case aging are achievable.

\* Additional hires will be proposed for the 2009-10 fiscal year for Appellate Operations.

PROPOSED PHASE II PLAN  
**SERVICE BRANCHES & EXECUTIVE**

**PHASE I / II - UI WORKLOAD REDUCTION and EFFICIENCIES PLAN - SUPPORT AND HIRES**

**SERVICE BRANCH IMPACT**

In response to increased workload levels, the Board approved additional ALJ and Support Staff hires. The Field Operations hired 30 ALJs and 30 Support Staff and Appellate Operations hired 2 ALJs, 2 RA ALJs and 2 Support Staff. As the workload continues to increase a second round of hires is proposed for the remainder of fiscal year 2008-09 pending approval by the Board. The plan proposes to hire 40 ALJs and 40 Support Staff for Field Operations. This is a total of 146 positions. In order to provide the necessary support for the day to day operations of CUIAB, the Service Branches require additional staff proportionate to the personnel levels of the CUIAB. Based on a ten year average of staff ratios the Service Branches have a need to hire 10.5 positions in fiscal year 2008-09. Administrative Services Branch requires 3 positions, Information Technology requires 4 positions and Executive requires 3.5 positions.

<b>2008-09 New Hires - Positions in Phase I and Phase II</b>		<b>PYs</b>	
Field		140	
Appellate		6	
<b>Total</b>	<b>146</b>		<b>2008-09</b>

**SERVICE BRANCH SUPPORT**

<b>Administrative Services (Business - 1 BSO) (Personnel - 1 OT, 1 Pers Sup.)</b>				
Hires - 3 Staff hires in May 2009	3.0	\$ (3,682)	2	\$ (22,092)
OE&E Augmentation (\$1,500 Mo. per PY)				(9,000)
<b>Sub-Total</b>	<b>3.0</b>		<b>6.8</b>	<b>(31,092)</b>
			average 10 year staff rate to CUIAB = 4.63%	

<b>Information Technology (1 Sr. ISA Sup., 1 Staff ISA Spec., 1 Sys Software Spec., 1 AISA)</b>				
Hires - 4 Staff hires in May 2009	4.0	\$ (5,398)	2	\$ (43,184)
OE&E Augmentation (\$18,000 Yr. per PY)				(12,000)
<b>Sub-Total</b>	<b>4.0</b>		<b>5.3</b>	<b>(55,184)</b>
			average 10 year staff rate to CUIAB = 3.61%	

<b>Executive (.5 MST, 1 Exec Secdy II, 1 SSM I, 1 SSM II)</b>				
Hires - Apr. 2008-09	3.5	\$ (4,752)	2	\$ (33,264)
OE&E Augmentation (\$18,000 Yr. per PY)				(10,500)
<b>Sub-Total</b>	<b>3.5</b>		<b>1.6</b>	<b>(43,764)</b>
			average 10 year staff rate to AO = 26.37%	

<b>SERVICE BRANCH</b>	<b>TOTAL</b>	<b>10.5</b>	<b>\$</b>	<b>(130,040)</b>
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PROPOSED PHASE II PLAN  
CUIAB  
PHASE II - UI WORKLOAD REDUCTION and EFFICIENCIES PLAN  
2008-09 BUDGET IMPACT

**BUDGET**

**2008-09 BUDGET RESERVE**

1ST and 2ND QUARTER INCREASED EARNINGS		Cumulative Reserve
3RD and 4TH QUARTER INCREASED EARNINGS - ESTIMATES		Option A      Option B
ALJ 4% COLA - potential unspent allocations if MOU not approved		\$ 1,431,196      \$ 1,431,196
100% FUNDING FOR OVERBASE - potential reimbursement if funding increased from 32%		\$ 1,431,196      \$ 1,431,196
		\$ 1,364,120      \$ 1,364,120
		\$ 11,893,054
<b>TOTAL</b>		<b>\$ 4,226,512      \$ 16,119,566</b>

**2008-09 BUDGET IMPACT**

**Field Operations - Phase II (ALJ I, OAVOT/MST/STL)**

	PYs	Salary	Mo.	Salary Expenses	Mo.	Earnings	Net Revenue
ALJ II Team Calendar - Apr. 100% 2/Mo. 2455			3			1,163,670	\$ 1,163,670
ALJ II Team Calendar - Apr. 75% 2/Mo. 1702			3			806,748	\$ 806,748
Support Staff - Hires - 20 Staff in May 2008	20	\$ (2,955)	2	(118,200)		\$ (118,200)	\$ (118,200)
Support Staff - Hires - 20 Staff in June 2008	20	\$ (2,955)	1	(59,100)		\$ (59,100)	\$ (59,100)
ALJ							
Hires - 20 ALJ Is in May 2008	20	\$ (8,593)	2	(343,720)	0	\$ (343,720)	\$ (343,720)
Production - in Aug. 2009							
Hires - 20 ALJ Is in June 2008	20	\$ (8,593)	1	(171,860)		\$ (171,860)	\$ (171,860)
Production - in Sept. 2009							
OE&E Augmentation (\$1,500 Mo. per PY)			2 / 1	(180,000)		\$ (180,000)	\$ (180,000)
<b>Option A Sub-Total</b>	<b>80</b>			<b>(872,880)</b>		<b>806,748</b>	<b>\$ (66,132)</b>
<b>Option B Sub-Total</b>	<b>80</b>			<b>(872,880)</b>		<b>1,163,670</b>	<b>\$ 290,790</b>

**Service Branch Hires - 10.5 Staff hires in May 2009**

OE&E Augmentation (\$1,500 Mo. per PY)				(98,540)			(98,540)
				(31,500)		\$ (31,500)	\$ (31,500)
<b>Sub-Total</b>	<b>10.5</b>			<b>(130,040)</b>		<b>(130,040)</b>	<b>(130,040)</b>

<b>OPTION A 2008-09 TOTAL</b>							
				(1,002,920)		806,748	\$ (196,172)
<b>OPTION B 2008-09 TOTAL</b>				(1,002,920)		1,163,670	\$ 160,750
						\$ 4,030,340	\$ 16,280,316



***PROPOSED***  
**PHASE II**  
**WORKLOAD REDUCTION**  
**&**  
**EFFICIENCIES PLAN**

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***Year End 2008-09 Budget Options***

March 10, 2009 ~ Board Meeting



California Unemployment Insurance Appeals Board

# Phase I – Workload Reduction Plan Summary and Status

<u>Approved Actions</u>	<u>Field</u>	<u>Appellate</u>	<u>FO</u>	<u>AO</u>	<u>Pending</u>
■ Support Staff Hires	21	2	14	2	
■ RA ALJ II Promotions	10	1	2		
■ ALJ I Hires					
□ Limited Term	17		12		
□ Perm. Intermittent	4	2	4	2	
■ <u>RA ALJ Hires</u>		1			
■ <b>TOTAL</b>	<b>52</b>	<b>6</b>	<b>32</b>	<b>4</b>	

## Phase II – Workload Reduction & Efficiencies Plan

# 2008-09 Cumulative Budget Reserve

	<u>Option A</u>	<u>Option B</u>
■ 1 <sup>st</sup> and 2 <sup>nd</sup> Quarter Increased Earnings	\$ 1,431,196	\$ 1,431,196
■ 3 <sup>rd</sup> and 4 <sup>th</sup> Quarter <i>Estimates</i> Increased Earnings	\$ 1,431,196	\$ 1,431,196
■ ALJ 4% Cost of Living Adjustment (COLA) potential unspent allocation if MOU not approved	\$ 1,364,120	\$ 1,364,120
■ Over-base Workload Funding at 100%		\$11,893,054
■ <b>Total</b>	<b>\$ 4,226,512</b>	<b>\$16,119,566</b>

# Phase II – Workload Reduction

## FIELD OPERATIONS

### Phase I

- Production assumes dispositions of 29,225 cases per month once Phase I is fully implemented.

### Phase II – Production

	<u>Option A</u>	<u>Option B</u>
<ul style="list-style-type: none"> <li>ALJ IIs Bi-Monthly Team Calendars                             <ul style="list-style-type: none"> <li>ALJ IIs</li> <li>Increased number of dispositions</li> <li>Increased disposition earnings</li> </ul> </li> </ul>	75% or 81 ALJ IIs 1,702 \$ 806,749	100% or 108 ALJ IIs 2,455 \$1,163,670
<ul style="list-style-type: none"> <li>40 ALJ I hires (20 in May, 20 in June)                             <ul style="list-style-type: none"> <li>May 2009 – cases</li> <li>May 2009 - earnings</li> <li>\$432,920 in earnings begin Aug. 2009</li> <li>June 2009 – cases</li> <li>June 2009 – earnings</li> <li>2,740 cases and \$432,920 in earnings begin Aug. 2009 for the May hires and Sept. 2009 for the June hires).</li> </ul> </li> </ul>	0 \$ 0 0 \$ 0	0 \$ 0 0 \$ 0
<b>Total Increased Cases</b>	<b>1,702</b>	<b>2,455</b>
<b>Total Increased Dollars</b>	<b>\$ 806,749</b>	<b>\$1,163,670</b>

## Phase II – Workload Reduction & Efficiencies Plan

# Phase II – Workload Reduction

## Field Operations

### Monthly Workload Production:

	Option A	Option B
Current Production with Phase I fully implemented	29,225	29,225
Bi-Monthly Team Calendars – 75% or 100%	1,702	2,455
40 ALJ I hires – Phase II fully implemented	5,480	5,480
<b>Total Dispositions – Cases</b>	<b>36,407</b>	<b>37,160</b>

### ■ Monthly Workload Impact

□ Verifications	33,168	33,168
□ <u>Dispositions</u>	36,407	37,160
□ <u>Difference</u>	+3,240	+3,993
□ Open Balance	30,634	33,253
	<i>as of</i>	<i>as of</i>
	<b>Feb. 2011</b>	<b>Sept. 2010</b>

# Phase II – 2008/09 Budget Impact

## New Hires Expenses

	Positions	Mo.	Salary Expenses	Option A	Option B
<b>Field Operations</b>					
■ Support Staff Hires					
□ May 2009	20	2	-\$ 118,200		
□ June 2009	20	1	-\$ 59,100		
■ ALJ I Hires					
□ May 2009	20	2	-\$ 343,720		
□ June 2009	20	1	-\$ 171,860		
■ Operating Expenses & Equipment (\$1,500 monthly allotment per PY)			-\$ 180,000		
<b>Service Branches</b>					
■ Administrative Services – 5-09	3	2	-\$ 22,092		
■ Information Technology – 5-09	4	2	-\$ 43,184		
■ Executive Offices – 5-09	3.5	2	-\$ 33,264		
■ OE&E (\$1,500 monthly allotment per PY)			-\$ 31,500		
<b>TOTAL</b>	<b>90.5</b>		<b>-\$1,002,920</b>	<b>-\$ 1,002,920</b>	<b>-\$ 1,002,920</b>
<b>TOTAL REMAINING BALANCE</b>				<b>\$ 3,223,592</b>	<b>\$15,116,646</b>

### Phase II – Workload Reduction & Efficiencies Plan

# Phase II – 2008/09 Budget Impact

## Net Revenue

### 2008-09 Budget Reserve

	Available Budget	
	Option A	Option B
■ 1st and 2nd Quarter Increased Earnings	\$ 1,431,196	\$ 1,431,196
■ 3rd and 4th Quarter Increased Earnings – <i>Estimates</i>	\$ 1,431,196	\$ 1,431,196
■ ALJ 4% COLA	\$ 1,364,120	\$ 1,364,120
■ 100% Funding for Workload Over-Base	\$11,893,054	\$11,893,054
<b>Total</b>	<b>\$ 4,226,512</b>	<b>\$16,119,566</b>

	Salary Expend.	Earnings	Option A	Net Revenue	Option B
<b>Field Operations</b>					
■ 75% Team Calendars	\$ 806,749	\$ 806,748	\$ 806,748		\$1,163,670
■ 100% Team Calendars	\$1,163,670				\$1,163,670
■ Support Staff Hires	-\$177,300		-\$177,300		-\$177,300
■ ALJ I Hires	-\$515,580		-\$515,580		-\$515,580
■ OE&E	-\$180,000		-\$180,000		-\$180,000
<b>Service Branches</b>					
■ Staff Hires	-\$ 98,540		-\$ 98,540		-\$ 98,540
■ OE&E	-\$ 31,500		-\$ 31,500		-\$ 31,500
<b>OPTION A TOTAL</b>	<b>-\$1,002,920</b>	<b>\$ 806,748</b>	<b>-\$196,172</b>		<b>\$ 160,750</b>
<b>OPTION B TOTAL</b>	<b>-\$1,002,920</b>	<b>\$1,163,670</b>			<b>\$ 160,750</b>
<b>REMAINING BALANCE</b>			<b>\$4,030,340</b>		<b>\$16,280,316</b>

# Phase II – 2009/10 Budget Impact

## *Projected Net Revenue*

<b>2009-10 Budget Reserve</b>	
■ Net Revenue from Phase I	\$ 3,947,786
■ Net Revenue from Phase II	\$ 5,278,172
■ 100% Funding for Workload Over-Base from 32%	\$11,893,054
<b>Total</b>	<b>\$21,119,012</b>

On-going costs that carry forward from 2008-09	Salary Expend.	Earnings	Net Revenue
<b>Field Operations</b>			
■ Team Calendars – 75% ALJ IIs		\$3,359,712	\$ 3,359,712
■ Support Staff Hires	-\$1,418,400		-\$1,418,400
■ ALJ I Hires	-\$4,124,640	\$9,524,240	\$ 5,399,600
■ OE&E	-\$1,260,000		-\$ 1,260,000
<b>Service Branches</b>			
■ Staff Hires	-\$ 591,240		-\$ 591,240
■ OE&E	-\$ 157,500		-\$ 157,500
<b>TOTAL</b>	<b>-\$7,605,780</b>	<b>\$12,883,952</b>	<b>\$5,278,172</b>
			<b>\$26,397,184</b>

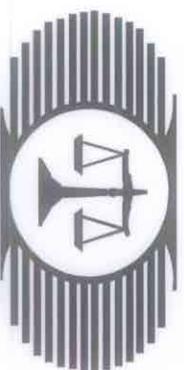
### Phase II – Workload Reduction & Efficiencies Plan

# ***PROPOSED***

## ***PHASE II***

### *Year End 2008-09 Budget Options*

March 10, 2009 ~ Board Meeting



California Unemployment Insurance Appeals Board

CUIAB 2008-2009 OE&E Allocations for Phase II of Workload Reduction Plan			
TOTAL PROPOSED CUIAB PYs	147.5		
TOTAL OE&E ALLOCATION (\$18,000 per PY)	\$2,655,000		
OPERATING EXPENSE AND EQUIPMENT	One Time Cost	Ongoing Cost	Percentage
Supplies	\$0	\$55,531	2.09%
Communications	\$0	\$118,136	4.45%
Postage	\$0	\$166,659	6.28%
Travel	\$0	\$212,810	8.02%
Travel (Training)	\$139,216	\$5,360	5.45%
Training	\$40,300	\$0	1.52%
Printing	\$0	\$507	0.02%
Misc. Expense (962)	\$0	\$2,438	0.09%
DGS Cost	\$0	\$86,583	3.26%
Attorney General Cost	\$0	\$143,750	5.42%
Transportation/Freight	\$0	\$7,412	0.28%
Interpreters	\$0	\$352,269	13.28%
Telephones	\$35,400	\$0	1.33%
Data Processing Equipment/Software	\$426,500	\$0	16.08%
Non- Data Processing Equipment	\$105,000	\$15,000	4.52%
Furniture	\$740,000	\$0	27.89%
TOTAL OPERATING EXPENSES AND EQUIPMENT	\$1,486,416	\$1,166,455	100%
GRAND TOTAL	\$2,652,871		
DIFFERENCE FROM ALLOCATION	-\$2,129		