

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5537**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., March 8, 2011, in Sacramento, with Chair Robert Dresser presiding.

2. Roll Call: Members

Present

Absent

Robert Dresser, Chair	X	
George Plescia, Vice Chair	X	
Bonnie Garcia	X	
Denise Moreno Ducheny	X	
Alberto Torrico	X	
Roy Ashburn	X	
Dennis Hollingsworth	X	

3. Approval of the Minutes:

The February 22, 2011, minutes were approved by all members.

4. Chair's Report:

Chair Dresser reported that CUIAB met with the Labor Agency and requested support for a freeze exemption to be able to hire both retired annuitants and to fill vacant positions. That request was forwarded this past week to Department of Finance. He stated that the Secretary is very supportive.

The ALJII exam will be conducted online, saving both time and travel for candidates and panel members alike.

Chair Dresser also reported that he, Executive Director Roldan, and Lori Kurosaka visited the Department of Labor and met with Richard Trigg, Regional Administrator, Jamie Bachinski and Pat O'Neal. They are very supportive of CUIAB's efforts to comply with the Corrective Action Plans. During the same trip they visited with the San Francisco Office of Appeals, and his impression is that it is a very well run office. Chair Dresser stated he plans to visit all the field offices soon, this Thursday the San Jose and Oakland offices. He will visit Orange County, Inland, and San Diego on March 14th and 15th, with Inglewood, Los Angeles, Oxnard and Pasadena on March 29th and 30th.

5. Board Member Reports:

Member Plescia commended the new Board members on getting to their cases early and promptly each day, moving the caseload along.

Member Ashburn reported that the Imaging project is of very high priority, and that they recently met with EDD regarding the project.

Member Garcia stated that we need to keep an eye on the new legislation. As the budget is coming to a close this week we know that some of the Legislative suggestions are to consolidate and downsize agencies. She thanked the IT staff for their work in helping to get a newer system that will let all of the Board members get all their cases at one time. She thanked the new Secretary of Labor, the Chair and staff who obtained clearance for overtime so that we can start addressing some of the backlog. She thanked all the staff for their support over the last two years and for the easy transition to our new Chair.

6. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Roldan reported the utilization of the overtime and the hard work of the employees has resulted in tangible results, with the open balance of UI cases now down to 58,296. The HUB, which was in a four alarm crisis a few weeks ago, has been reduced to 628 open cases, with a two day turnaround, as compared to two weeks previously. Currently the overall open balance of cases is at 69,491 cases, below the 70,000 mark for the first time since September of last year. The open verified UI inventory is the lowest it has been since November 2008. The average case age is starting to come down again, from 45 to 44 days and continuing downward.

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

Special Assistant Kurosaka reported that the Corrective Action Plan status report for the first quarter is due to the Department of Labor next Friday. Nine out of the 16 strategies were completed by December 31, with four strategies suspended because of the overtime and hiring freeze. The remaining three strategies are in progress.

Special Assistant Kurosaka also reported on the Enterprise Appeals Project, which is the project that brings imaging from beginning to end within CUIAB. It is building an extension of EDD's existing imaging system. Member Garcia and Chief ALJ/Executive Director Roldan met with EDD's Chief Deputy Director Pam Harris a couple weeks ago regarding acceleration of our efforts, and hope to finalize the project within the next 18 months.

Special Assistant Kurosaka reported that the Hearing Calendaring System project continues on schedule and the staff will be demonstrating the front end next week with Appellate Operations staff. Additionally, she reported that the Electronic

Decisions project, where they are designing and developing a solution to electronically transfer appeal decisions to EDD, will have a seven-month delay for the DI and Tax decisions. Chair Dresser wants to meet with EDD to discuss the impact of that delay.

8. Acting Chief ALJ, Appellate Operations Branch, Joel Contreras Report:

Acting Chief ALJ/AO Contreras reported that February registrations were 96% of the yearly average and dispositions were 102% of the fiscal year average. The open balance was reduced just slightly. Case aging is good at 32 days, and they hope to improve on that in March, which is the critical measurement month for Department of Labor standards. AO is not doing quite as well with the 45-day time lapse standard at 10.9%. AO is, however, meeting the 75 and 150 day standards. AO has cut in half the number of unregistered appeals, with overtime being of great assistance.

Acting Chief ALJ/AO Contreras reported that the Paperless Case File Project is being implemented in AO, and testing is continuing. During the March the testing will be initiated in both written argument unit and decision typing unit. That will be followed by the log-in staff.

9. Chief Information Officer, Rafael Placencia Report:

CIO Rafael Placencia reported that with the use of overtime, IT projects are moving forward to completion. The wireless project has been completed and they are nearing the completion of the ALJ mobility project, which should be completed at the end of April. IT has seen significant work towards the implementation of the VOIP project. They are scheduling seven sites to be online in April.

Member Garcia asked when the board could expect to receive I-Pads to use to test. CIO Rafael Placencia responded that they have not yet sought the necessary approvals under the exemption process, but would move to do so if that is the direction of the Board.

Member Ducheny commented that the device she is currently using is inadequate and continues to lose its connection to the server.

Member Ashburn pointed out that technology is moving very rapidly and yet the State has antiquated systems for the procurement and updating of technologies needed to get the work done.

The Board directed CIO Placencia to put together the possible options, not exclusive to the I-Pad, and report back to the Board.

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

Deputy Director Pam Boston reported the following:

- Overtime Report – Next month they will provide a report showing overtime that was worked during February, after we received the exemption.
- Exams
 - LSS I/II just completed
 - ALJ II – New Final Filing date is March 18th. Changed exam plan to Statement of Qualifications
- Furlough/PLP Report
 - Report Attached – a monthly report on status of furlough hours and PLP hours will be provided.

Furlough Hours on the books as of February 18, 2011—as compared to January 7:

- Support staff 5,984 – had 8,919 – 2,953 reduction of hours – Average based on 126 employees is 47
- ALJ – 7,505 – last report 10,929 reduction of 3,424 hours – Average based on 98 employees is 77
- Other – 2,899 – last report 3,724 reduction of 825 hours – Average based on 30 employees is 97

PLP Hours – Didn't track this last month so we don't have a comparison

- Support Staff 5,609 – Average based on 323 employees is 17
- PALJ 462 – Average based on 16 employees is 29
- Other 1,936 – Average based on 89 employees is 22

Budget Officer Renee Erwin reported, regarding the cell phone reduction plan, that overall CUIAB had 345 devices, cellular phones, blackberries and air cards. Notwithstanding our low usage as compared to other agencies, Labor Agency will reject any plan that does not meet the 50% reduction. The largest reduction will be the air cards in field operations, from 264 to 125. Blackberries will be reduced from 73 to 45, and cell phones from 8 to 3. The overall savings will be \$100,005. Chair Dresser asked if CIO Placencia could come up with some way to monitor air card usage for the laptops and provide a report at the next Board meeting.

Chair Dresser stated he wants to make sure that there is no reduction in production caused by this process. He asked CIO Placencia to coordinate with Chief ALJ/Executive Director Roldan and report back at the next Board meeting.

11. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported that last month there were 22 new cases filed, a new record. These were all benefit cases, a reflection of the tough economy. Seven cases were closed, all of which affirmed the Board decisions, except one in which the Board stipulated to the court order. We have a total of 279 pending

cases. Chief Counsel Hilton also reported that the Administration and Unit 2 reached an agreement yesterday, and summarized the terms of that agreement, which will run through June 30, 2013.

Chair Dresser expressed concern about meeting the payout for leave time accumulated for retiring employees, and whether or not the agency had sufficient funds to meet that obligation. A report was requested for the next Board meeting showing how much accrued liability CUIAB has on the books.

12. Unfinished & New Business:

Proposed Regulations--Chief Counsel Hilton reported on the proposed new and amended regulations. At the last Board meeting two issues were raised. The first was with regard to the new electronic evidence regulation, to consider expanding it from just CD's to DVD's and flash drives as acceptable formats. Based upon IT's input that the agency has the capability to read all of those formats without any undue security risk, they have been added to the proposed regulation. It is notable that OAH does not have any regulation on the subject, leaving it to each ALJ to determine what electronic evidence to accept in any particular proceeding. This approach provides the greatest flexibility, so that an ALJ is not locked into just those formats specified by regulation, particularly given how quickly new formats can develop. The downside is the lack of notice to parties, although this could be addressed in our Hearing Information Pamphlet.

After discussion among the Board members, the Board unanimously voted to strike § 5062(p) from the proposed regulations, in preference to providing notice in the Hearing Information Pamphlet.

Member Garcia commented, with regard to the other regulations, that she would prefer a separate treatment of the timeliness issue, rather than to include it in the same provisions relating to a showing of good cause for applications to vacate or for withdrawal. She felt this would be less confusing.

Chief Counsel Hilton responded that he thought this could be done, and would come back to the Board with a draft. Chair Dresser asked if that was acceptable to the members of the Board, all of whom agreed.

Member Garcia further commented on § 5068, asking if we weren't generating unnecessary appeals by providing for an automatic appeal when an application to vacate is denied. We need to reduce the number of times that parties cycle through the system, and place the burden on the parties to affirmatively file an appeal if they are unhappy with an ALJ decision.

Chief Counsel Hilton responded that the reason for that provision is that a party is applying for some relief but may not be sophisticated enough to understand exactly how to proceed, so the current regulations are giving them the benefit of the doubt. This particular provision has been in the regulations for many years.

The Board decided that it wanted more time to review and consider the regulations, and would entertain them again at the next Board meeting.

Proposed Telework Policy--Deputy Director Pam Boston presented the proposed Telework Policy with the following information:

- In 2010 the Office of the State Chief Information Officer (OCIO) determined that all State Departments that allow remote access to their network should have specified information security safeguards. Every state agency must certify that they are in compliance with the prescribed telework and remote access security standard.
- The Department of General Services, with the Department of Personnel Administration, developed and negotiated with the unions a telework template for all state agencies.
- This proposed policy adheres to that template, and adds our existing Policy Statement #17 (Telecommute Policy for AO ALJs) and existing procedures and practices for work-at-home typists as attachments.
- The CUIAB also has existing procedures and practices for CTU workers, which also needs to be added to the template.

The Board determined that it will review the proposed telework policy and be prepared to discuss and vote on it at the next Board meeting.

13. Public Comment:

There was no public comment offered.

14. Closed Session:

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

Adjournment