

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5508**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., June 9, 2009 in Sacramento, with Chairwoman Bonnie Garcia presiding.

2. Roll Call: Members

	<u>Present</u>	<u>Absent</u>
Bonnie Garcia, Chair	x	
George Plescia, Vice Chair	x	
Ann Richardson	x	
Liz Figueroa	x	
Cindy Montañez		x
Sharon Runner	x	

3. Approval of the Minutes:

The May 4, May 11 and May 12, 2009 minutes were approved.

4. Chair's Report:

Chair Garcia thanked staff for their hard work the last 30 days to address tons of issues. We have received 100% funding and have identified new dollars within 6 weeks of the end of the fiscal year. It is a bonus for us and allows us to do some major projects to address the caseload, the need for new staffing and office space. For the last 30 days our staff has been diligently working on those issues and the Matrix system to keep the Board and the Sub-committees aware of any of the projects in progress. You risk the misnomer out there that this is a Board that only meets once a month and as we all know we have undertaken impressive projects to help us streamline our operations to make sure our computer system works for the agencies and our staff have the resources to be more efficient in the Field and Appellate Operations.

5. Board Member Reports:

Member Richardson wanted to take a moment to acknowledge the life of Jack Henning who was a fantastic labor leader and friend to the homeless and the under-represented in California who died at the age of 93. He was part of Kennedy's cabinet, part of Johnson's cabinet and Ambassador to New Zealand and instrumental in starting the ALRB and a tireless worker. While she never met him she had the honor to meet with his son Patrick and his grandson Patrick, Jr. and they are mirror images of their grandfather. She wanted to thank the Henning

family for giving us such a great person.

Member Figueroa stated that this is a production month and appreciates the staff's enthusiasm in assisting the claimants which is foremost and important in everybody's mind.

Member Prescia reported that as a Board member it is important for him to have the M-date schedule and to meet the timelines to be more effective and he wanted to thank the staff in putting it together.

Chair Garcia added one thing that is helpful to them when streamlined operations a couple of months back was when Appellate Operations transferred the information electronically so that we did not have to physically come back into the office with the file.

Member Runner reported that as a member of the Finance and Budget Sub-Committee she acknowledged the hard work done and extra hours in preparing the report and budget and finding all the dollars that we need to assist all the people in the field and those who are handling cases with sad stories sometimes that we are hearing. She thanked everyone for their extra work and Chair Garcia too who is here a lot of times and for all the efforts that she has done.

6. Chief ALJ/Acting Executive Report:

Chief ALJ/Acting Executive Director Alberto Roldan reported that the board packets included a Summary Report from him and he started with the staff of Field Operations but he would like to start with the second item on the Department of Labor (DOL) Quality Review (Attachment) for the first quarter of 2009 because we will be talking about the dire number and the state is in a very difficult situation but it is important to point out that the DOL has oversight over this Department and we have very specific responsibilities to the DOL on how we conduct our business and they take regular snapshots which are quarterly reviews of our professionalism and how we conduct hearings. He is happy to report that the most recent quarter shows meeting with DOL requirements for the 17th consecutive quarter and this is a particularly amazing accomplishment given the high number of judges that we have absorbed into the Department over the last year. It is a testament to the high level of training that they have been given by Lillian Waters and others who preside over our training and also the work of the presiding judges and the mentors who have been assigned to the new judges. The following review addresses the professionalism of our hearings and it focuses on considerations like the process, the interaction of the judges with the public, the handling of exhibits, the courtesy of our judges to the public at large and other factors. For the year our average score were 90.6% overall and 84.4% the due process criteria and he mentioned we have absorbed a very large number of new judges to deal with the workload that this Department has. In spite of that our annual scores were higher than the previous year where we had fewer judges and the average experienced level of our judges was higher. This is an area where we are doing something very

significantly right in absorbing new judges and getting them ready to do cases at a very high professional level. He really wanted to start with that because it is a significant accomplishment that he did not want to be overshadowed by some of the more difficult circumstances we are up against.

Chief ALJ/Acting Executive Director Roldan reported that currently we have an open balance of 92,490 cases in all categories, with unemployment insurance obviously being the lion share of our cases and we are sitting at approximately 80,000 open cases in the UI workload. We are getting closer and closer to matching dispositions which is the resolution of cases with verifications. We obviously need to provide greater efficiencies and we also need to absorb an additional number of judges to deal with workload and we will talk about it in Phase III. Only 4 of the last 44 weeks were we able to dispose of more cases than we verified which basically means while we are getting closer to match in input we are not at a point yet where we are rustling down dispositions to the point where we have an ideal number of open cases which is generally considered to be about 30,000 or less. With 30,000 fewer cases we are able to meet DOL timelines standards and we are not even close to that point yet. One thing he would point out is that what is making things difficult is by absorbing such a large number of new judges which Pam Boston will talk about in the Phase I and Phase II hiring and where we are at that. The bottom line is we have absorbed a lot of people into our workforce. The training of the new judges is very labor intensive and we require them to attend multiple weeks of training before they are allowed to hear matters given the seriousness of the cases. In addition, when the judges preside over cases as new judges after their multiple weeks of training an Administrative Law Judge II has to be in the hearings with them to ensure that they are meeting quality review standards and that they are providing an appropriate service to the public. This requires that the Calendar Clerk take the ALJ II or the Presiding Judge that are hearing cases off calendar when they are mentoring. May was a pretty good example where verifications continue to exceed dispositions even though we absorb a very high number of new judges into the Department. Once we get to the point that they are trained and the ALJII have returned to hearing cases and the Presiding Judges are able to do more calendar cases when they are available we will start seeing the productivity really flush out. New judges have generally been working out very well; of all the new hires that we have done we've only had two judges who elected to leave on their own. He really believes that it is a testament to the Presiding Judges who do the lion share of screening candidates for hiring judges.

Another significant piece of information for the Board members is that the Office of the Governor just yesterday issued Executive Order 0909 and he believes all the Board members have a copy of that Executive Order. The gist of the order is that the State departments, CUIAB included, are to cease entering into contracts for goods and services. They do provide for a process that is being developed by the Department of Finance right now for requesting an exemption. We have already met as senior staff to outline the exemptions that we believe would apply to this Department; in particular we should be seeking exemptions because not having an

exemption would preclude us from avoiding significant revenue loss and not being able to enter into contracts for translators and would prevent us from being able to go forward for a number of specific cases. A very significant percentage of Los Angeles County's cases require translation services and that is the case in the Central Valley and some other regions that we serve. Also, not being able to contract will prevent us from achieving significant net cost savings. We currently contract with Golden State overnight for the shipping of various documents and we are a very document intensive organization and having to pay the U.S. Postal Service would incur very significant costs to the Department. Most significantly is the Governor issued a previous Executive Order ordering the Employment Development Department and the Unemployment Insurance Appeals Board to increase and provide services to the public in this time of high unemployment. We are mandated to take on this responsibility and we have acted aggressively pursuant to that Executive Order to enter into IT contracts to improve the services that we provide at the Main Offices and at the outstations. We have done significant hiring and we need to extend our infrastructure to absorb all these additional cases. We believe that the Governor issuing the Executive Order mandates that we provide additional services to the public; provide critical services and functions to the State of California and that is one of the categories for an exemption. So we are pursuing arguments along those fronts and we already had a senior staff meeting and sent out communication requesting information to supplement those arguments. We are already in the process of trying to adjust to it, respect the order, gather information for an exemption and also honor the previous Executive Order that was issued by the Governor to ensure that we are providing a high level of service to the public.

Chair Garcia stated that for the clarification of the Board members the new Executive Order also states that to apply for an exemption it has to go through the Agency Director so she has already contacted the Labor Agency Director to see whether this Executive Order applies to us or it falls in the criteria of the other one and make sure it shows the programs at risk. Most important for us is the fact that we have closed field offices, hired new judges to bring down the caseload. It is impossible to allow a claimant to have a confidential hearing, to be able to record it and have it dictated without having hardware the office puts in place. We are considering moving on retrofitting existing buildings and per Member Richardson to look at facilities to see where we can retrofit existing space before we acquire offices that we have previously closed; where we can share facilities with other agencies. The confusion about whether to apply or how we get exempted is urgent for us. We have 80,000 unemployment cases, 90,000 disability cases that we are hearing now. We hope to have that resolved and so we are addressing and identifying those that should be exempted.

Chief ALJ/Acting Executive Director Roldan reported one quick matter the Chair touched on in terms of the facilities this Board had previously acted to approve some projects. He has been working with the Facilities Committee to report on this number of projects. The West Covina facility has been reacquired to help address workload in the Los Angeles area. The Los Angeles Office of Appeals is already

working on calendaring and we are going to begin hearing cases at that facility this month given that the facility needed minimal tenant improvements. They acted very quickly to get that up to speed and to be able to calendar cases. The need for additional hearing rooms in Sacramento County led the Office of the Chief to vacate the first floor so that those rooms can be converted into hearing rooms and be moved up on the third floor with the rest of the Board members. There have also been proposed changes that are underway in terms of construction improvements in the headquarters building to provide additional space for the Sacramento Office of Appeals to serve the public and that allows us to work within existing space so we are not acquiring new space but creating greater efficiency so that more hearing rooms are provided for public hearings. We are accommodating increased staffing in the Sacramento Office of Appeals. The Tax Unit which is going to be supplemented with Administrative Law Judges' hearing cases beyond tax cases but also hearing general UI, DI cases as well and also Appellate Operations to the second-level appeals the public can be facilitated. Construction is underway for the San Jose Office of Appeals permanent space and that project is expected to be completed on June 30, a delay of about 2-3 weeks that they will be able to move back into the permanent facility in July it is his understanding. He also wanted a few minutes to thank Member Richardson who has been working with him very closely and the Facilities Committee and we really accomplished a number of efficiencies in terms of developing a protocol for identifying when the Board makes a decision or acquires property, when a Board makes a decision to not acquire a property. We have been somewhat ad hoc in how to approach this and not to say that we have been unprofessional but he thinks we developed a much better system for arriving at that. He also implemented a Workload Committee at the Field Operations level in response to the Office of the Chief with overlapping members of the Facilities Committee and that has created a much better screening process in making decisions in this area.

Member Richardson thanked Chief ALJ Roldan for his leadership and it's been difficult to assess all of our property in such a period of time. He did a wonderful job and she also thanked Lori Kurosaka for her expertise in setting up the Matrix system so we can have organized methods of reviewing our facilities and to know at a glance where we are and the square foot cost of the leased property. She also thanked Rita Thompson and Pat Houston for getting us the least expensive space and thanked Chair Garcia for her leadership.

Chair Garcia stated that Member Richardson is understating all the work that she did. Chair Garcia reminded the Board that last Board meeting we were looking at four facilities that we had given up previously, West Covina, Fountain Valley, Wilshire and Sherman Oaks. Because of the need to acquire hearing facilities immediately we are looking at reacquiring those sites. After doing the analysis we determined that Wilshire, Fountain Valley and Sherman Oaks were not needed and the fact that our current field offices, because of the economy, found office space in some of our existing buildings and we were able to keep our staff together where we were able to acquire existing floor space either in the same floor or in the same building. It helped in terms of reducing costs because we are not creating a

commute for some of our staff, we are keeping our IT together and it also gave us more floor space and building where the rest of the staff exist. That work was a major undertaking, we were rushing through finding whether we can do architectural, what kind of IT improvements, what facilities were available. She would like to thank the staff and she thanked Member Richardson for her leadership.

7. Branch Report:

a. Deputy Chief, Appellate Operations (AO), Jorge Carrillo reported that for the month of May 2009, AO registered 1,717 cases which is 7% above our fiscal year average of 1,680 cases. The number of actual appellants involved was 1,136. What he's been seeing with this number is that each appellant represents about 1½ cases. Even though our registrations were above normal, AO still had 915 unregistered cases as of June 3rd and he checked our numbers again yesterday and we're up to about 1,050 unregistered cases. Normally, we have 5 registration persons that are registering cases; we recently in the past month or two have hired 3 additional staff members to register cases. Unfortunately, one retired unexpectedly or suddenly and another has given notice to move back east and therefore is leaving the job. A lot of times you make efforts to try to bring extra resources and you find basically keeping even with what you are doing. We are setting up interviews to hire 3 more registration persons, which means in the short term we will be short; we have to have staff to train them and it takes 6 months to a year to adequately train someone in registration. Even though it might hurt us in the short time, in the long run we will be able to get more resources and more work and catch up with the backlog.

Deputy Chief Carrillo reported dispositions last month were 1,533 cases, pretty much normal of fiscal year average. The actual number of appellants was 1,067. Although production was fairly normal we are also seeing a backlog in the cases that are ready to be assigned to ALJs. Currently, we have about 1000 cases that are ready to be submitted for review. We hired 2 new judges in April as part of our Phase I workload reduction plan and although they are still in training they should begin to produce cases by the end of this month. There is also a transfer from the Sacramento Office of Appeals -- ALJ Barbara Steinhart Carter is going to be joining us on June 17th and she will be filling the position he vacated once he assumed his position. Unfortunately, we have 2 judges, 2 ALJ IIs who are off production for two months, Lori Morgan and Lillian Shek are on medical leave of absence so we won't have their services for a couple of months. We also have one ALJ who has been off production training the new judges as well. We have been authorized by the Board to hire 2 permanent intermittent ALJs as part of our Phase III hires and we are setting up interviews beginning tomorrow. We're having to consider candidates from the SROA list and we got a number of applicants who qualify for that and before we can hire anybody else if they are qualified and they meet our expectations we have to offer them jobs before we can hire anybody who is not presently associated with state service. Later in this Board meeting he will be requesting permission from the to hire 4 additional judges because as will be

discussed a little later the projected number of new board appeals is going to be increasing and we are going to need additional resources to meet that. Because the number of registrations exceeded the number of dispositions, the balance of open cases increased to 2,735 cases that are about 18% above normal.

Deputy Chief Carrillo reported that our time lapse numbers improved from last month if you recall from last month we did not meet any of the three time lapse dates, which was surprising given that the previous month we met all three. This month we did meet two of the three; the one we did not meet was the 45 days we closed 42% of our cases within 45 days and that is pretty close to the required 50% a little short but we did meet the goals with respect to the 75 days. We closed 85% of our cases when 80 is the target and for the 150 days we closed 99% of our cases within 150 days, the requirement is 95%. He would like to thank ALJs, support staff and Board members for their part in processing these cases. The way it is right now by the time these cases are ready to be assigned we have very few days left before we can meet the deadlines and he knows a lot of people are putting in a lot of effort to get the cases out on the due date.

Deputy Chief Carrillo further reported that the average case of an open case at AO was 45 days which is above the 40 days set by DOL. However, we are measuring the open age of a case from the date we received it in AO and that number is 31 days which is pretty good given that we have so many cases in our inventory at this time.

Finally, Deputy Chief Carrillo reported that this week most of our telecommuting judges have been moving from single individual offices to double offices in order to free up rooms for the new judges that we expect to hire. If you visit our part of the building you will see that there is a lot of furniture and boxes out in the corridors. He would like to thank the judges because they have been really good about getting everything boxed up and moving and cooperating without too much complaint.

Member Richardson noticed there is an increase of cases on her list everyday and thinks that it is a part of the increase in field decisions. She asked if there were any numbers regarding an increase in board appeals. Deputy Chief Carrillo responded that actually a little later in the Board meeting there would be a PowerPoint presentation and he would review the projected increase in board appeals and the staffing that we need in order to keep up with this. He can point out the specific numbers.

Chair Garcia stated she wanted to highlight to the Board that we do not need the timeline standards but we have to again be reminded that we have two judges off, we have to take senior staff off to train them and that diminishes the number of judges that are available to hear these cases. We lose 40% of our registration staff and take some 6 months to come up to speed. That is a significant loss even if we hire judges to hear the cases. One of the changes that we made and the Sub-Committee had looked at is our MSTs that we have in our Executive Office will

be cross training into the Appellate Operations and assist with the registrations and that will help significantly over the next couple of months. She is also reminding the Board that at our last Board meeting we changed the regulations on how the appeals to the Board arrive and the timeframe and we are underway with the process and we are probably 30 days into the 120 days of that process and that should reduce the timelines by about 18 days and will help us significantly meet those deadlines.

Member Figueroa commented that we continue what we are doing and thanked her colleagues and the Board for working as a team.

Chair Garcia stated our staff and everybody are looking at ways we can make improvement to meet our goals.

b. Deputy Director Pam Boston reported that for Phase I we were hoping to complete all the hiring by the end of May. We did complete hiring for the ALJs; we hired 27 during that period of time and we have 2 support staff hires still remaining to be hired under Phase I. Under Phase II hiring plan we have 9 pending ALJs that we still need to hire; we have 25 pending support staff to be hired. Under Phase II the support areas were also allocated some hires; IT has hired 4 and still has 1 outstanding hire; Admin was approved 3 hires, 2 outstanding hires which will be interviewing this week and Executive was approved for 3 hires and they still have 1 outstanding hire. The hiring is going fairly smooth and we are finding at this point that there are a lot of individuals on SROA so with that we are hoping that it will speed up some of the hiring because these individuals are facing layoffs shortly. As she mentioned in the last meeting, Kathy Carel and Frances Aguilar are now both gone. In the meantime she has asked Elbia Jue to act as Personnel Officer until we are able to decide what to do with Frances' position and filling her Personnel Officer job.

Deputy Director Boston also reported at the last Board meeting there was discussion on an Exit Interview Survey. Personnel has completed the draft policy and we will have a presentation to the Board at the next meeting. Unfortunately, she missed the timeframe for this notice on the Agenda for this meeting so it has to go over to the next meeting. We also discussed doing the Employee Satisfaction Survey and Member Figueroa, Martha Silva, Ralyne Long and Pam met on possibly doing this. Martha and Ralyne were involved in it a while ago in developing an Employee Satisfaction survey. Based on consensus it might not be the right time to do it given everything that's going on right now in our workload. So we decided we would reconsider it again in 6 months and possibly do a survey in 2010 which would be better timing. They also thought of doing a Customer Satisfaction Survey. They did this back in 2005 and again decided it might not be the time to do it and will revisit it again in 6 months. Some things we were throwing around are possibly utilizing an outside vendor and that would hopefully assure everybody that this is an unbiased survey. We are going to revisit in another 6 months.

Deputy Director Boston reported she found out Monday that the Department of Personnel Administration is conducting a job fair on Thursday from 9:00 a.m. to 3:00 p.m. which would be tailored towards individuals who have received layoff notices. Anybody that has a layoff notice will be attending this fair and departments that are participating are departments that are hiring. We have decided that we will participate and will have somebody from IT go because Rafael still has a couple of positions. We will have a representative from Personnel so we will have our job bulletins from our outstanding hires and the Field and AO discussed possibly having somebody attend. It is from 9:00 a.m. to 3:00 p.m. on Thursday so we will have more to report at the next Board meeting on how it went. The intent is you can collect applications and you can go as far as interviewing people and even offering jobs on the spot. We'll see how successful that is.

Member Richardson asked if she can please send an email about the job fair so we can forward it to those who were laid off and she also asked to which layoffs it applies, for example, what if you were laid off a year ago? Deputy Director Boston responded it is geared for current SROA people. These are people who are currently working for the state who have just received layoff notices.

Member Richardson asked Deputy Director Boston to find out as there's a lot of people who have been laid off in the last year.

Member Figueroa asked how many positions we have available. Deputy Director Boston replied that DPA is hoping to have another job fair that will target the outlying areas like Southern California and Bay Area. The people on SROA for those areas are not as many as Sacramento but there are a few. As far as the number of job bulletins she does not have a count right now as to how many in Sacramento but later in the Board meeting we are talking about a Phase III hiring but this job fair is intended for immediate vacancies.

Member Figueroa commented that Personnel is busy with other projects and their priority is with new hiring and we should have flexibility and understand that there are just so many things that they are doing and would like to thank the staff for their effort

Chair Garcia added especially with the loss of two staff and thanked Deputy Director Boston for showing up.

Member Richardson asked when we did the Customer Satisfaction Survey and who did the survey. Deputy Director Boston replied it was Mary Walton-Simons. Ralyne and Martha Silva were involved. From what she gathered from meetings with them how we did it, the Customer Satisfaction Survey was when an individual gets a hearing notice or showed up for the hearing they get a survey and we would ask them to complete it and stick it in a box that was in the lobbies of all hearing facilities. It was very productive and we learned a lot. We ended up making revisions to our hearing information pamphlet as a result of the survey so there was a lot of good that came from it.

Member Richardson asked if it went to Personnel at that time and Deputy Director Boston replied no it went to Mary Walton-Simons.

8. Chief Counsel's Report:

On behalf of Chief Counsel Ralph Hilton, Staff Counsel Kim Hickox reported the case report are in the packet last month the Board members were still busy with an average of about 18 cases a day. On the litigation front we had an unusually high number of cases opened this month. We got 12 and only 1 was closed. The case that was closed was remanded to the Board. I wanted to give you more information on the status of our regulations, we have everything that we have to submit to the Office of Administrative Law ready but in order to send it in for publication we have to complete the Economic and Fiscal Impact Statement which has been completed but that has to be signed by the Agency's Secretary. So we have that over at Agency and I spoke to them this morning and she said it is currently under review. At this point as far as publication, the earliest publication we can get at the OAL deadline is June 26th and if it is published on June 26th then the 45 day comment period would end on August 10th and that is assuming that we would get the package back from Agency and over to OAL by next Tuesday. If we don't make it by June 16th by next Tuesday then it has to be in by the Tuesday after that which is June 23rd so that would mean the publication date would be July 3rd and the comment period would end August 17, 2009. So we are probably looking at as far as the comment period ending sometime the middle of August.

Chair Garcia stated that she wanted to update the information in terms of the caseload. Member Runner completed her training during the month of May and she is now able to hear tax, disability cases and on an average the Board members have been hearing about 25 cases a day. The numbers may be reflective if you count the lower number the Chair had the rest of us carry those and which may alter the numbers.

Member Richardson stated that last month we had 400 cases so she thinks for some reason this month it's reduced a little bit.

Chair Garcia commented that it is due to two reasons. First we have some senior members training judges and secondly, Member Runner was on training and the 169 cases were late.

9. Unfinished & New Business

Renee Erwin presented the 2008-2009 fiscal year end budget and the status. There is a handout (Attachment) in your packet 2008/09 CUIAB Budget Fiscal Year End Projections. What we had initially approved by the Board for allocations to the branches was \$78.5 million. Of that there was \$1.6 million that was not allocated to a specific branch but was held in reserve. What we have for our fiscal year-end earnings with all the base earnings is approximately \$8.3 million so overall we have an increase from the beginning of the year to the end of the year

of \$10.7 million. Next we have our budget expenditures. What we estimated with actual as best we could all the way through May and we estimated pending hires and expenditures for the month of June spending approximately \$77 million. This also includes part of the spending plan that the Board approved at the last 2 or 3 Board meetings. We had spending plans in the amount of approximately \$5.5 million in addition to the Phase I and Phase II hiring plan. Adjustments have changed since the last Board meeting and this is based on a meeting we had with EDD last week. The furlough appropriation reduction EDD assured us that they will not be taking the federal dollars away from our budget resources issue. They will only be removing the General Fund portion so that changed the \$2.2 million that we had set aside as being removed from our budget and it is now \$12,204. We have also that is backed out of our budget at the end of the year the Paid Family Leave Program for those earnings that we did not earn and issued decisions for and have earnings up and that is \$1.7 million. What we have lastly is some additional IT proposed expenditures; one item that has already been approved by the Board however was not captured in any of the reports as an expenditure is what they call Auto Dial Hardware or Robo calling for \$8,000. There are two proposed new projects and expenditures and they are the Cisco Ride Application Services or WASS and there is the T1 Line at the 14 outstations. Rafael Placencia of IT would like to give you some more details on both of those projects and the cost.

Rafael Placencia stated if you look on your Matrix (Attachment) first project on page 2 the status of that particular project is we should be able to go July 1 so that on July 1 we are calling claimants and reminding them that they have a hearing and we are looking at calling them two days prior to the hearing. There are a couple of approaches that we can use a subset of the claimant basically pick a field office and just call them and monitor the results or we can go full blown system-wide so we have options.

Chair Garcia stated our option is to call everybody. We have 20% who don't show up. It is either they forget, misplaced their paperwork or they started a new job and are not showing up at hearings. This is a way to reach them so we could resolve the appeal at the first level.

Member Figueroa commented they should be given a reminder as to the time and location, date and number where they can call back.

Chair Garcia added that from the time they get the phone call they should have in their possession 3, 4 or 5 different letters that they received from EDD. If we break it down to each office of appeals it might be a little bit more cumbersome. The intent is to remind them to give sufficient time and also comply with the intent of helping them. Member Figueroa asked how soon do we receive the feedback. She is concerned that some claimants might forget say, they get the phone call and they are supposed to be somewhere in two days and what do they do?

Chair Garcia responded Rafael can explain the software and hardware more but at

the end of the phone call we have a report that shows how many calls were received, whether by answering machine or live and we will also see based on what the results are also field offices, how they are impacted and determine adjustments on phone calls to the field office or specific fax number. We do not want to create a situation where we are over impacting our system. You can go to the Website. There are different things that we can do and that we can adjust quickly to.

Member Richardson asked if we can give our number to call back.

Chair Garcia replied no but we have to determine what we can do with the existing system, say set up 12 different call back numbers. She thinks the first thing we need to do is buy it knowing we can make adjustments to it. We can also create a link on our Website and refer them to the Website if we need to and make the adjustments as we go along.

Rafael added that we can purchase the software with those options and we can build it in the system, the call back numbers push 1 to talk to somebody live that type of thing.

Member Richardson stated if a claimant said that he forgot and needs to reschedule the hearing we should be able to give them an option of where to call.

Rafael commented if we basically allow them to reschedule they push a button and they are going to a central system. That is not impacting everyone else out there in the Field. This is one place that handles rescheduling.

Member Richardson added that we have a lot of potential responses we need to address before we set them up and asked where we are in our Internet access where the party will have a pin number and securely look up their own case file.

Rafael replied that right now that is a basically a low priority job and very low movement.

Chair Garcia stated the other thing to stress is that the Board moved on using technology to reach claimants and it is a small investment to get 20% of the case files.

Rafael stated the Cisco WAAS would speed up our field office locations. It gives them technology to speed up retrieval of documents. There are a lot of documents that are accessed here centrally and downloaded to the network for that user and an example is a word document that takes a little bit of time because the files are in Sacramento but it speeds up the process. The way it does that is by cache-ing information. If you look at it once there is no point in looking at it again and there is no point in sending the whole document down; you are going to read what is in the memory. The third item is the T1 upgrade in hearing facilities. Out there what we have done is we provisioned them with a DSL circuit and the whole technology is

quick downloads but slow uploads. The process out there is uploading of the digital recordings and it takes time in the hearing facilities. It would take up to five times longer to upload a hearing. The complaint that we have is that the judges are waiting 10 minutes to upload a job after it has been heard. The idea is to convert them to T1 to speed that up and for practical purposes it is very significant because we move to electronic or the online recording of hearings. All hearing need to be recorded and many of them ultimately are transcribed but we are required as a matter of law to maintain every hearing in a recorded fashion. The judges basically are stuck in the courtroom until they confirm that the recording of the hearing is actually uploaded properly. They wind up chained that they can't conduct business in another area where these two will help quite a bit. We are getting requests about a new technology in the Dragon voice recognition software that some of the judges are using and they are piloting right now. Its function in the out station has been degraded significantly because of the lack of ability to transfer the recorded information and upload their files that are recorded orally. It is for practical purposes impacting the ability of the judge to close out a case and move on to the next case to update for practical purposes or addressing a very real need and the impact of services is that the out station return to rural areas affecting poorer populations that we wind up serving. It is impacting very real offices that serve some of the more rural population that we need to address that have higher unemployment so it is an area of significant need.

Member Richardson questioned whether it makes sense to convert to telephone hearings so people in the outstation are better served.

Chief ALJ/Acting Executive Director Roldan responded it is one area but recognize you may have a situation where on the outstation the Spanish speaker or one who speaks another language and that particular hearing cannot be facilitated by phone hearing and it is exacerbated even more because now you really need to have hearings recorded and make sure that it occurs. The judges can be especially diligent in those cases to ensure the record is preserved because of the use of multiple languages. I agree with you that in some instances we can reduce workload but not eliminate the need to have efficient hearings at these outstations because of language issues or some good cause determination if the hearing needs to be in person because of a large number of exhibits or variety of reasons.

Member Richardson commented she does not recommend telephone hearings because that is not her preference but in situations where it would benefit the users then she would use the telephone hearing and a reasonable option to do what we are doing now and help us with some of the high tech issues.

Chief ALJ/Acting Executive Director Roldan stated one thing that he would point out is for example half of the calendar will be done by phone hearings where you may assign a judge to go to Salinas and do a number of hearings and put that in the judge's calendar for a number of phone hearings. They are still going to have the same bottleneck because they are doing the phone hearings at the outstation which is recorded with the same equipment. It does not matter whether the person

is there or on the phone line; we are still running into the same technology issue that needs to be addressed.

Chair Garcia added the other problem we have if you consider is that it takes minutes for the system to upload every case. If you are doing 6 cases that day that is an hour and a half which is too much.

Member Richardson thanked Rafael for working hard and doing a great job in our IT.

Renee stated we did have a meeting with EDD and our Acting Executive Director Roldan will give you an update on that meeting regarding remaining balances on the proposed 3 items for a total expenditures of \$79 million and remaining balance of \$10 million.

Chair Garcia moved to take action first on the three items which totaled \$344,586. The motion was seconded and passed by the Board members.

Chief ALJ/Acting Executive Director Roldan reported they met with EDD Ken Marks, Budget Officer and Bill Dougherty, Accounting Chief in that Department explaining a little bit more their endeavor to cooperate with us on expenditures, reduce the term 5th quarter expenditure. They pointed out to us that it is not really how they look at things. EDD controls the purse strings and we coordinate with them in terms of expenditures and this particular department while we stand independent of them from the judicial standpoint we are linked with them from a financial standpoint. They act many times in the background in a way that is invisible to us to ensure that monies wind up dropping off that we have encumbered or allocated for expenses with this particular Department. One of the significant things that we learned during the course of the meeting was that even though for example with our Prison Industry Authority encumbrances we are allowed a three-year window for using up those encumbrances we cannot encumber UI federal monies for more than 18 months in a given time. So they have acted in the background to ensure UI monies that were allocated for PIA expenditures did not wind up dropping off. The result is basically that what appears to be \$10 million that we are leaving on the table he believes that the practical purpose is fairly forwarded into the EDD budget and winds up being utilized in large part next year in 2009/10. There has been some concern that a significant amount of monies were being left on the table by this particular Department but it is more complicated than that and he thinks EDD finds ways to ensure that that monies are available for expenditures in the future within our 2009/10 budget. Any monies that are potentially locked in the table from our accounting at CUIAB in 2009/10 would carry over into the 2010/11 budget from their standpoint when they are reconciled. That was probably the biggest point we got from the meeting and I am not sure if I am overlooking anything that we touched on and Lori was also at the meeting if there is anything that I should touch on.

Member Figueroa clarified whether the monies instead of returning to CUIAB are being safeguard by EDD and given the following fiscal year to us.

Chief ALJ/Acting Executive Director Roldan responded in large part yes and winds up becoming part of the allocation for the 2009/10 budget. Right now we just looked at our balance book and in terms of the money that was allocated for our use and the Chair touched on earlier. We spent a portion of this year being conservative because there was potential that we would just have only 32% over base funding so we did not want to spend beyond our allocated budget. It is kind of like if you are distributing the food evenly the dog can eat equal portions but the dog can eat the whole bag of food at the end of the year. We locked up a large portion of our potential budget allocated to us at the very last minute. So we wind up in a situation where we approached our budget in a conservative fashion and about \$10 million of surplus appears to exist in this particular report. It is available for EDD in terms of 2009/10 part of it is because the federal fiscal year runs in a different cycle than the California fiscal year. Our fiscal year ends in June 30th and the federal year ends in September. That is where the term 5th quarter expenditures comes from because the federal fiscal year and the period of time in which we are supposed to use UI money and continue to be used up until the period in September. We had turned over to EDD a number of our leases that we were looking to do the quarter spending on and they said that is not really how it is described it is just because of the difference in the federal fiscal year vs. the state fiscal year. We are working in cooperation with them and may be able to recapture some of the monies that appear to be left on our books for the payment of leases so that the money continues to be available in 2009/10 and potentially in 2010/11 as well. It is not money that is completely gone. It becomes a little more overlapped and has the availability to use it through September. We do not have the mechanism to do in this Department but they wind up returning the money to us in other ways.

Chair Garcia stated the difference between the 32% and the 20% being reimbursed is \$7.5 million appeared six weeks ago and we also have been very conservative. In layman's terms we are turning our money over to the bank so we can spend it on 2009/10 budget.

Ms. Erwin reported that this concludes the 2008-09 budget report. Next we have the May 2009 Revise Forecast (Attachment) which is in your folder. To simplify it, this is a reference document and I also have a PowerPoint that she would like to show that goes along with the actual handout. This is a report on how the May 2009 Revise will impact our workload staffing and our budget for the next fiscal year. Just an overview we have adjustments in two programs, first is the Disability Insurance (DI) Program and this is worker funded program which contributes to the economic security of California by providing benefits to eligible workers and it could be due to pregnancy, non-work related illnesses or injury in addition to work connected disabilities that may be covered under Workers Compensation but they could also be eligible for benefits for work related disabilities. In addition to that, the DI Program covers the Paid Family Leave Program which became effective in

2004 and that program provides benefits for six weeks to individuals who are away from work to care for family members, or birth adoption or foster care placement of a child. The DI Program workload forecast for the number of new cases in 2009-10 is actually forecast to decrease but from 19,567 cases that we estimated in October revise to 18,700, a slight decrease of 4% and expected reduction of 867 cases. For our current fiscal year our verifications for the DI Program have been coming in or estimated to close out at 19,200 which is really close to what was estimated at the last revise. Our dispositions have fallen a little short of that workload that is expected to come in at 17,500. A part of this is due to we've been giving more focus on the UI cases because of the large backlog there. Our remaining balance for DI Program is about 4300 cases. These numbers are for both Field and Appellate. The adjustments for positions and dollars due to DI Program decrease; we will lose 2.3 temporary help positions, the salary wage reduction is \$124,000, benefits reduction is \$51,000 and OE&E will be reduced by \$68,000. We have about a quarter of a million reduction \$243,000 that will be reduced from our temporary help budget for the DI Program.

Ms. Erwin reported that for the Unemployment Insurance (UI) Program this is an employer-funded program which contributes to the economic security of California by providing benefits to eligible workers who are unemployed through no fault of their own. In addition to the UI Program, we have since 2008 had passage of federal legislation that has created additional extension programs to alleviate the burden of the downturn for claimants and these programs were the Tier 1 extended benefit program, Tier 2 second extension and we also have the federal additional compensation program that added 25 additional dollars weekly and we have the federal state extended unemployment compensation program referred to as FedEd that provides full federal funding for extended benefits after they have exhausted their Tier 1 and Tier 2 Programs. The workload forecast for the UI Program estimates the number of cases in 2009/10 to increase from 331,000 cases to 538,957 cases. This is a huge increase of 63% and additional 208,000 more cases that are forecast for next year. As for the current workload level for this year our verifications are expected to come in around 376,000. Dispositions have been right at with the October revise forecasted at 331,000 and our open balance for the UI Program is at almost 83,000 as of June 1st.

Member Richardson commented when we are looking at DI one of the reasons that we are getting less DI cases than we had in the past because when you take that six weeks off there is no job security. The federal program and the state program provide for return to work. With the economic downturn people are afraid to take the six weeks off of the Paid Family Leave because their job is not guaranteed and that is one of the downsides of that program. That is probably a good explanation why that decreased.

Chief ALJ/Acting Executive Director Roldan stated he thinks it is just the general unemployment and the fact that few people are working. They are not even eligible for the program.

Chair Garcia commented that is why we have our Legislative Committee. There are things we discover along the way on unintended consequences and we can bring those issues up to the appropriate people to be addressed.

Ms. Erwin reported that the adjustment for positions and budgets for the UI Program is an additional 137.5 permanent positions. This is the first year that she has ever been aware of where we've had a revised adjustment and provide permanent positions. Revise is historically only adjusted to temporary help but working with EDD they felt that we've had sufficient justification with the increased workload to justify permanent positions especially since this increased workload is projected to last over the next 2-3 years. We asked for 137 permanent and 172 temporary help positions for a total of 309. The dollar allotments for those positions is \$17.3million; benefits is \$7 million and the O&E is \$9.4 so we have a total of \$33.9 million to assist with working down the UI Program.

Member Plescia asked what OE & E meant. Ms. Erwin replied Operating Expenses and Equipment.

Chair Garcia asked whether any of the money comes out of the General Fund. Ms. Erwin responded that none of this money comes out of the General Fund.

Chief ALJ/Acting Executive Director Roldan addressed Member Plescia's question and stated the general figure is about 18,000 per employee per year in terms of OE&E.

Ms. Erwin added that it adjusts every year with this most recent revise the OE&E is allocated at 22,000 per position.

The status of the May Revise is that the Labor and Workforce Development Agency approved our request, Department of Finance has approved our request and sent it over to the Legislature and that is pending approval at their House, after that it would then be forwarded for the Governor's budget and adoption in the Governor's budget and then lastly, we would need State Controller's Office to establish those positions in our budget. We are in a standstill until these last stages happen so we have proposed an interim plan that for now we hire as temporary help positions then we convert those to permanent positions later once those positions are established in our budget. Because what we have carried forward from 2008/09 to the 2009/10 budget guaranteed is we have 450 temp help positions and \$38.4 million and of those we only got 65 field spending about \$4.5 million. We have another 385 positions and almost \$34 million to utilize for our hiring efforts.

Member Richardson asked if those are limited positions or permanent intermittent (PI). Ms. Erwin responded that these would be PIs.

Member Richardson asked before hiring the employees that are laid off, are they going to get benefits under this PI hiring? Deputy Director Boston replied they will

immediately if they are current state employees. Member Richardson stated that they will get a continuation of what they received before but if they are new limited term they do not. Deputy Director Boston replied that if they are new PIs then they don't; they have to meet that control. There is a waiting period or a control period that they have to meet to get benefits.

Ms. Erwin stated that it concludes the May Revise which moved in to the Phase III Proposed Workload Reduction Plan (Attachment).

Chair Garcia stated to go back to the Page 6 of the Slide Presentation. Our current workload is 335,000. Member Plescia asked if projections further out through the next fiscal year. Ms. Erwin replied yes. We have projections out through the next two years ending in 2012. Member Plescia further asked if it will continue to increase or decrease. Ms. Erwin responded that the decrease if she recalls correctly is supposed to start dropping off the spring of next year. Although it is just a forecast she can better address the question on the next handout. This is the document and if you moved to page 2 this one says Field Operations Phase III Workload Reduction Plan (Attachment) across the top. Right below that the 2009-10 workload forecast with the May Revise for Field Operations projects 506 cases for the year, 42,173 for the month. What we have seen for this 2009 calendar year of our actual caseload and projecting out the last month's average is 393,000 which is about 32,775 per month. In a meeting with Senior Staff the Chief of Field proposed that we go somewhere in the mid range of those two to be a little conservative but I am not undercutting so we are going with an estimate of 449,000 cases a year and in case of new verifications at 37,000 per month. Based on that verifications remaining static for the next year at that level we estimated what the needs for Field Operations would be in terms of ALJ hires to stay in phase with that workload and what we came up with is 15 ALJ hires in July and their dispositions would kick in after training come September and then 15 ALJ hires in October once we have the new revise that would be coming out with October Revise and some former numbers and those would become productive come December. If those hires come on board as planned Field Operations would be reducing its open balance by July 2010 and being able to reach the goal in one year two months to achieve time lapse in case aging.

Chair Garcia asked where we are in terms of Phase I and Phase II hiring. Have we closed that out? Chief ALJ/Acting Executive Director Roldan responded that we pretty much closed out Phase I and Phase II. As mentioned earlier we had 9 more judge hires to go and about 25 more service support hires to go. That goal was set to be finished by June 30 and he knows for a fact that we are getting presentations on additional ALJs and support staff hires for the next couple of weeks. We're completely there in terms of Phase I for practical purposes and almost there in terms of Phase II. We are pretty much on track on both phases. We are a little bit behind on the support staff but certain we will be completely there in terms of the judges by June 30th which is their goal.

Ms. Erwin reported that the next page Timeline for the Appellate Operations

(Attachment) and what this shows is AO's workload is driven by the disposition issued at the Field Operations level and we have identified that the appeal rate is 6.1% to the field dispositions. So factoring in ALJs hire for AO we have identified that they got 2 judges that came on board in April and that their production will be kicking in June. We have an ALJ II that is now coming off of production to do the training. We have 1 additional ALJ and production is starting in August with the Field Operation's transfer and we are proposing 6 hires in June and that production would become effective in September and then another 4 ALJ hires in October and becoming productive in December. With this hiring pattern then AO would achieve their goal to make time lapse in case aging in one year one month. Deputy Chief Carrillo has put together a presentation that he would also like to show you and help explain in a little more detail his plan.

Deputy Chief Carrillo reported this first slide (Attachment) shows what our production is as of May 1st 1493 cases we are going to get production out of 2 judges that we hired starting June. That would bump up our production to 1,588 and if we were to do no further hiring in June then theoretically in August we would get production from 2 additional ALJs; one is the ALJ that is transferred from the field to fill the position that he vacated when he was appointed and we had 1 ALJ who is off production to train the new judges. They would revert back to production in August. So our capacity at this point is 1818 cases. If we did not hire anyone in June we would be looking at our registrations increasing steadily up to the point that in September there would be 2366 cases to be registered every month. Our ability to keep up with that would be limited and reaching our maximum of 1800. Beginning in September we would be falling behind at the rate of at least 550 cases and increasing at 675 and almost 800 by the end of February. It is evident that we need to hire additional people. What he proposed is the Board already approved AO to hire 2 judges in June as part of the acceleration of our Phase III and what he would like to do is propose adding 4 additional for a total of 6 judges to be hired in June. That would make sense because it takes time to train people and rather than training 2 people one month and starting entirely different training program the next month we would like to get all 6 of them together and train them at once and have them ready to be producing cases in September. If we do that our production will increase to 2208 in September and at that time our open cases will have climbed significantly to 3800; but if we hire more people in October and have them trained by December our production will really peak up at the end of the year such that we would actually not just be keeping up with the increase but cutting into the backlog. We will continue to cut into the backlog by 242 cases every month beginning at least December to June. All together what we proposed is hiring 10 ALJs, 6 in June, 4 in October. We also are seeing support staff suffer under the increase such that we need to hire a lot more support staff so we propose 14; 6 ALJs and 8 support staff to be hired in June as part of an acceleration and then in October we would convert to the PIs ALJs limited term whatever you think is appropriate and then we would hire 4 permanent ALJs and 4 permanent support staff in October. The proposed 8 support staff to be hired in June, one we would put in our registrations where we currently have 1000 backlog. We register about 100-120 cases a day. It is almost an 8 or 9 day backlog at this

point in registration. We would put a couple of people in board appeals which are the people which handle the case when it first gets to Appellate for them to enter data to CATS and organize the file and you have a backlog there. We would have one in Case Management where they process all the correspondence and Written Arguments and answers to letters that we send out asking for reasons why their appeal is late. Another one we would put Written Argument and these are the folks that copy the record and send out the record to the parties that request Written Argument. One would put into Scanning for the E-File where we don't have anybody assigned right now. People just rotate and do as they can and also to process cases we need the transcripts. We have the need for an additional Typist because at this point we have 3-4 days backlog in the decision typing and 1 additional person in Closing that is to copy and mail board decisions. The cost of all these hires would be \$1,340,000 but the earnings that we would see from these hires would be \$1,294,000, so the net difference of what this proposal would be is \$46,920, the hires are going to pay for themselves. Whatever the cost we are going to get that production is a very small cost for us to invest in this additional hires at this time.

Chair Garcia asked whether we need federal fund money and Deputy Chief Carrillo responded no.

Ms. Erwin reported that back to the handout (Attachment) at the very last page is just a synopsis of the entire Phase III proposal for the Board's consideration broken down for first Field Operations and what they are proposing is to hire in July 15 ALJs and 15 support staff and then again looking at hiring in October 15 ALJs and 15 support staff. The cost for Field Operations for these positions is \$3.7 million, their earnings that they would generate after their training would be \$4.2 million so that there is a net revenue gain of \$546,000. Mr. Carrillo just covered the entire Appellate Operations, 4 judges in June, 6 staff in June and in October 4 judges and 6 staff and the net cost for that proposal is \$46,920. Admin Services is proposing in October 7 service support hires, all 7 in October and then IT is proposing all 5 hires in June. The total cost for Phase III comes in at \$5,599, 444. The earnings that will be generated from the judges is \$5,216,307 so we have a net loss for the entire program of revenue of \$383,074. That concludes the report on Phase III.

Member Richardson questioned if the economy turns around at some point do we have a plan to wind down? If so, does that involve those PIs who were converted to permanent may become some of them may mix the same as PIs or limited term or are we looking at our retired annuitant or retirees or have a global analysis?

Chief ALJ/Acting Executive Director Roldan responded he believes we have a broad strategy in terms of how we are building up. First of all as we noticed our projections by looking at our actual numbers of cases coming in, we actually build this on a projection that is about 56 cases than the May revise number. They proposed that we build recourse to address 506,000 in changed cases. Looking at the reality and saying that the numbers are a little bit lower than that and also have

a reality of how we can absorb the people in the Department. All the projections that we are asking you to make a decision are PI hirings. When we wind down first we are heavily relying on a retired annuitant population now. They would be the first person to understand that as the number of cases decrease, we would bring down the retired annuitants first. Our next line of reduction would obviously be the PIs and the limited term staff. The number of permanent positions that we would be absorbing in the Department would be quite small. All of our hiring on Phase II and first hiring for Phase III is PI hiring. Some of those persons could cross over as permanent full time positions that are provided by Department of Labor presuming that everything makes its way from the May revise to an actual enacted budget.

Member Richardson asked if we hire limited term for a 24-month period. Chief ALJ/Acting Executive Director Roldan replied that we can elect to do 12 months or 24 months. We could be more conservative and elect to hire those positions as 12 months rather than 24 months limited term positions. We actually found that moving in the direction of permanent intermittent rather than limited term positions makes more sense. The other reason why we would make any hires as a limited term and his advice would be that we only do it for 12 months positions to preserve a position that has been given to us by the Department of Finance (DOF) because it is a use it or lose it proposition. If we don't use a position that was given to us by the DOF within 6 months of its enactment it is a position that drops off.

Member Richardson stated that she does not think that our PIs that were given by the DOF are more than half of our workload. Chief ALJ/Acting Executive Director Roldan responded that it is fewer than half of that.

Member Richardson added that there is a 50% of the population that we have to look at, how we are going to deal with them, trend that it is going to go up in a couple of years. Are we looking at a 5-year trend?

Ms. Erwin stated that in response to Mr. Plescia the May forecast projected workload through the year ending 2012 fiscal year. By that time the workload is going to decrease by about 126,000 cases and our total workload level would be about 437,000 cases. Over the next 2 years we will only see that reduction and that equates to about 300 positions that we would drop off of temporary help. The other thing that she wanted to address was we know historically that the Field Operations runs approximately 10-15 ALJ retirements every year. In addition to that we have been working approximately 15 retired ALJs that would be a total of 30 positions that we have the ability to work with over the course of the next year.

Deputy Chief Carrillo added that at Appellate the way he's looking at it a couple of points to view is one we have the ability to reassess things in October when we get to the point that we have to make decisions but the other thing is that he also knows that out of the 15 that we have in Appellate a lot of them are openly discussing their plans for retirement and he has seen opportunities ahead. There's already one person planning to retire this year but within the next two years the

turnover will be 50%.

It was moved and seconded and passed to adopt the budget.

Member Richardson has a request for the Board that Hugh Harrison is an invaluable resource of information for us and that is evident by the number of things that we are doing on this Matrix especially the Department of Labor reports. He keeps the reports, certification, interstate cases, workload, and all financial reports. I don't mind asking Hugh if we can provide a list of all our reports with brief summary of each one. I don't know how long it will take him to get it. Then we will know what we have and give it to individual key leaders for their different projects that are on Matrix. I can't stress how much institutional knowledge Hugh has.

Chair Garcia added we are working closely with Hugh on all the projects that you see here. Acting Executive Director Roldan and Lori Fujimoto are both working closely with him.

Member Richardson stated that with the Board's permission she would like to request those reports.

Chief ALJ/Acting Executive Director Roldan stated based on the conversation he had yesterday, they had regular meetings and they met yesterday and Hugh is feeling a little bit burned out. He is really tasked with a lot of different responsibilities within the Department. He told Hugh that he needs to outline exactly every project that has made its way to him. A lot of it is involved a very organic fashion. We need to develop not only a Matrix to describe what he is working on but we need also a succession plan. He has been with the Department for a long time and he is sure that at some point in the near future he might decide to move on and do different things and we'll be left with a tremendous void if we did not have a succession plan built into it. We had a meeting on exactly what Member Richardson was talking about. He will provide that to the Board because it is important information for the Board and for himself and also beyond that developing how are we going to start passing along some of the responsibilities that Hugh is not so burned out all the time. Give him an opportunity to tap people that he sees successor in interest and provide better information flow.

Chair Garcia stated we requested the Sub-Committee on Legal and Legislation that we need to do some cross training resources out in our Field Office people doing planning, strategic planning, etc. She could do some of this work and shift some of the workload. Work closely with Pam as you are developing this for Hugh.

Deputy Chief Carrillo clarified on the Board's note on the budget authorization to do the hires in June that we have talked about. Chair Garcia replied yes. No more people getting sick or retiring.

Chair Garcia stated we covered workload action plan, the budget, and proposal to

require any review of workload. Our previous Acting Executive Director Jehan Flagg started the recruitment for CEA position in the Executive Branch but after evaluating that recruitment she believes that at this point since we don't have a permanent Executive Director we should cancel that recruitment. Our focus should be on Field Operations and Appellate Operations and our existing structures does not require a CEA position at this time and she would like to bring it to the Board's attention that it would be a calculation and would like to get your sign on to it so we need to cancel this.

Deputy Director Boston stated she thinks that they should vote to approve it. She would recommend approving it.

Chair Garcia made the Motion to cancel the CEA recruitment, the motion was seconded and passed by all members.

10. Public Comment:

There was no Public Comment.

11. Closed Session:

The Board went into closed session.

The Board went back into open session and reported

Adjournment