

6. Assistant Secretary, Labor and Workforce Development Agency, Stephen Egan Report:

No report, as Assistant Secretary Stephen Egan was in attendance at an Agency meeting.

7. Chief ALJ/Chief Executive and Acting Executive Director Report:

Chief ALJ/Acting Executive Director Alberto Roldan reported that recruitment for the PALJ position for the Oakland Office is currently under way, and that a new ALJ Academy is scheduled to start September 13, 2010, for at least 11 new judges. On the subject of workload, July saw 41,563 new cases, the second highest number in history, partly due to a big push to reduce the accumulation of unverified cases. The Agency is now averaging just over 40,000 new cases per month. The number of cases closed in July was 37,848, so case inventory grew to 85,167, which is still substantially below the high water mark of 96,000 cases reached in September 2009.

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

Special Assistant to the Board Lori Kurosaka introduced Janet Maglinte, the new Research Coordinator who will be leading our efforts to gather and coordinate data and analysis to identify trends. Janet will coordinate with EDD program data to help identify policy needs at CUIAB.

Special Asst. Kurosaka updated the Board on the following items:

- (a) CUIAB submitted three new technology grants to the Department of Labor totaling \$1.1 million. The first proposal is to fund the business process re-engineering effort with North Highlands. The second proposal is to fund the EDD/CUIAB Appeal Registration Co-Location Pilot Study in the Los Angeles PAC. The last proposal is to seek funding for an Appeals Hearing Calendaring System for both Field and Appellate Operations.
- (b) The appeals business process reengineering study with EDD is on schedule. The North Highland team has completed interviews and walk throughs in Field Operations, Appellate Operations, EDD UI, DI & Tax programs. They have provided the "as-is" deliverable for formal review.
- (c) We are developing a co-location pilot study with UI Branch. We are looking to place about four CUIAB staff to complete the registration process in the Los Angeles Primary Adjudication Center. This will help eliminate about seven days of mail time for the hard copy appeals transmittals for the LA PAC appeals cases and hoping for cases to be calendar ready when they are scanned to the CUIAB FOs. We are aiming for a September 20 start date.

9. Chief ALJ, Appellate Operations Branch, Jorge Carrillo Report:

Chief ALJ/AO Jorge Carrillo reported that AO again met and exceeded all DOL time standards, as follows: Case aging: 27 days (DOL standard is 40 days); Time lapse: 81.9% of decisions issued within 45 days, 98% within 75 days, and 100% within 150 days (vs. DOL standards of 50%, 80%, & 95%, resp.). Chief ALJ/AO Carrillo also reported that 2,518 cases were registered in July, there were 2,352 dispositions, and the open balance of cases stood at 2,839, 14% below fiscal average.

Chief ALJ/AO Carrillo gave the annual status report on AO's telecommute program via power point. In summary, the telecommute program, which has been in existence for over 15 years, preserves workforce efficiencies while reducing absenteeism and commuting costs.

Chief ALJ/Acting Executive Director Roldan reported that AO judges will be participating in a pilot project to assist the field by conduction mass calendars solely on re-openings and late appeals, which Chair Garcia stated comprises 10% of our caseload, or 40,000 cases. The hope is to handle these cases in a more efficient and expedited basis, further allowing us to reduce the backlog of cases.

10. Chief Information Officer, Rafael Placencia Report:

CIO Rafael Placencia thanked Member Richardson for her support for IT. CIO Placencia reported on three ongoing projects:

Hearing Reminder System – they are in the testing phase of adding e-mail notification to this system. All indications are that it can be done with no additional cost.

VOIP Telephony – this project will kick off on August 18th. VOIP allows us to use our data network to run our phone system at virtually no cost.

Accelerated decisions to EDD - We are in Phase I and transferring approximately 100 cases at the AO level nightly. We anticipate Phase II to start soon, which will result in the electronic transfer of 2000-3000 cases per day..

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

Deputy Director Pam Boston reported that after many years of planning we have finally met our goal of having all of our appeals offices on our secure access control system. This means employees can use their badges to access any office in the state, with the exception of Los Angeles and Oakland, which cannot be included because they are state-owned buildings.

The final overtime report for FY 2009-10 is in the meeting packets (Attachment A). The Administration Branch has hired several new staff to help with the increasing workload. We also have a new Labor Relations Representative, Rita Thompson,

who is moving over from Business Services.

IT has reached full capacity on the 4th floor, and still needs more room. Accordingly, the Personnel unit will relocate to 2520 Venture Oaks sometime within the next couple of months to allow IT to expand on the 4th floor

12. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported some good news on the litigation front, just 9 new cases instead of the 17 filed in June. We are still carrying 264 cases as nine cases were closed out last month. The Board was affirmed in all but two of those cases. Board member workload remains steady at 28 cases, per member, per day. If the Board workload stays on this pace, this year will constitute the highest workload since we started keeping records, at over 30,000 cases.

13. Unfinished & New Business

2009/10 and 2010/11 Budgets -- No budget discussion.

Proposal for Development of Appeals Imaging Feasibility Study Report

Special Assistant to the Board Lori Kurosaka reported that the Project Team has met with EDD Chief Deputy Pam Harris and CIO Mike Howland to approve a procurement strategy for the imaging project and case management projects. To accomplish this, EDD and CUIAB should request a change order to the North Highland Company contract to complete the FSRs and statements of work for both projects. North Highland has gained considerable knowledge and understanding of the EDD and CUIAB appeals business processes. This will expedite the projects by about six months.

Chair Garcia recommended that the Board vote to approve a change order so that we can continue the momentum this year to get off of DOL's watch list. The change order was approved unanimously.

Abolishment of Appeals Board Policy Statement No.1, Transfers

Chief ALJ/Acting Executive Director Roldan reported that in the meeting packets there is existing Appeals Board Policy Statement #1, followed by excerpts from Bargaining Unit 1, Unit 2 and Unit 4 MOU's, relating to transfers. He recommends that the Board policy be rescinded, which would allow transfer rights to be governed by the MOU's.

Repeal approved by all Board members except Member Richardson.

Chief Counsel Hilton advised that the Board would need to provide notice to the unions whose members would be impacted by the repeal of this policy.

Status of Decision Review Pursuant to CUIC 406(b)

Chief ALJ/Acting Executive Director Roldan reported that he was in the process of appointing a new PALJ whose duties would include performing this review function.

Regional Support Unit Restructure

Chief ALJ/Acting Executive Director Roldan stated that there is nothing new to add to what was reported at the previous meeting. Construction is ongoing for the relocation of the Southern California Regional Support Unit (RSU) from the shared space with the Inland Office of Appeals. Once the Inland Office and RSU are settled in separate locations, restructuring of the RSU can be considered in more detail.

14. Public Comment:

The members of Senior Staff thanked Member Richardson for her contributions to the Agency.

15. Closed Session:

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

Adjournment