

**MINUTES  
FOR THE REGULAR MEETING  
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD  
Docket No. 5544**

**1. Opening of Meeting:**

The Appeals Board convened at 10:30 a.m., August 16, 2011, in Sacramento with Chair Robert Dresser presiding.

**2. Roll Call: Members**

	<u>Present</u>	<u>Absent</u>
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 July 19, 2011, minutes were approved by all members present.

**4. Chair's Report:**

Chair Dresser reported that they received a letter on July 18<sup>th</sup> from the Assistant Secretary for the U.S. Department of Labor, stating that although we still lag behind on the 30-day promptness standard, "the 45-day promptness performance has made some significant progress toward the standard from a low of 5.4% in October 2009, to 30.8% in April of 2011, the first time, since May 2007, that the 45-day promptness has been in the 30% range." Chair Dresser commented that all of the judges, support staff and board members deserve kudos for that accomplishment.

Chair Dresser stated that one of the most exciting recent accomplishments is the co-location project, which currently involves two CUIAB employees working in EDD's Los Angeles Adjudication office. A preliminary report indicates that the number of days to process an appeal through the scanning process is 42 days; vs 59 days for appeals processed through our existing system, a tremendous improvement. With that in mind Chair Dresser has asked staff to expand this project quickly, with the next likely locations to be San Diego, and perhaps in Sacramento and Elk Grove.

Chair Dresser reported that the proposal to eliminate the Board is still on the table, and that the Governor's Office appears to be quite serious about it. In large part, however, this proposal would affect just the Board members, not the judges or support staff.

Chair Dresser reported on the EAMS demonstration, the electronic system used by the Workers' Compensation Division, about which there was a critical report recently by a State commission. We are aware of those problems, and we have a group of judges who are advising us on this, so that we avoid the same pitfalls as we move forward with our own move to a paperless system.

Chair Dresser reported that we have signed the contracts for the training seminars, and he understands planning is going forward. We aren't sure what the Federal budget holds in store for us, but he is doing everything he can to ensure that we go through with the scheduled training.

Chair Dresser gave thanks to the continued efforts of all the administrative law judges both in the Field and Appellate as well as the support staff including IT for helping to reduce the backlog of UI cases and all cases.

#### **5. Board Member Reports:**

Member Ducheny commented on the consolidation, stating that she thinks we need to continue to try and help people understand it is a statutory change, and that people should know that there would be no change in any fashion before next July because they have to make statutory changes. Secondly, this discussion of how to do it or how to have due process and still have public accountability is one that needs to be maintained throughout the fall. We need to continue to cooperate with Agency, but they need and the Legislature need to understand that there is a reason why the legislatures did this the way they did in the first place.

Member Ducheny also commented on the EAMS issue, stating that she does not think we run some of the same risks. The problem for the Workers' Compensation Division is they have all these attorneys and medical providers and other participants who need to access that system and they didn't anticipate the number of licenses they would need to accommodate that access. Here, we don't have the added problem of lawyers submitting briefs and volumes of medical reports online.

Member Ashburn reported, with regard to the new phone system, that 21 satellite offices are now on line. With respect to the Field offices, work is on hold because of the concerns about the capabilities of the system especially with multi-party conferencing for the purposes of conducting the hearings. Given those concerns, we will be looking at other potential phone systems in the near future.

#### **6. Chief ALJ/Executive Director Report:**

Chief ALJ/Executive Director Roldan reported that he was present yesterday at the site visit to look at the EAMS system, and the court administrator of that program, Kevin Store, was very gracious in communicating with them about the lessons learned related to the implementation of their system and was very frank about the challenges that they have gone through in terms of implementing the system.

Chief ALJ/Executive Director Roldan reported that they didn't really make much of

an advance on the workload from the previous month. The open balance did fall by about 1,100 cases last month, to 60,107 as of the end of July. However, the number of un-calendared cases, included the unverified appeals, has fallen every month since last November, so we are making progress on the backlog although a little bit slower than expected.

Chief ALJ/Executive Director Roldan reported that the third week of the ALJ Academy will resume on August 22. The six new judges are doing fabulously and integrating really well. ALJ Iman Shad from the San Jose Office of Appeals has been appointed to an open position in the Office of Tax Petitions.

Chief ALJ/Executive Director Roldan stated that he is proud to report that for the 23<sup>rd</sup> straight quarter the CUIAB has met or exceeded the Department of Labor standards. In fact, the last two quarters their average score has risen to 95% out of 100%. Only two of the 25 randomly sampled cases scored less than 85%, and six of the 25 randomly sampled cases scored perfect scores.

Chair Dresser asked if all 43 exemptions that were approved have been filled. Chief ALJ/Executive Director Roldan responded that all of the ALJ positions have been filled and just about every exemption position has been used. We have seven more exemption requests pending either at Agency or the Governor's Office. Chief ALJ/Executive Director Roldan commented that we are at a point where we are reducing the workload, the backlog, and we are going to have to be very careful about staffing, because if there are no extensions the likelihood is that that level of funding is going to drop off precipitously. If we plan carefully we will likely be able to manage a lower level of funding all with attritions, cutting back on the use of retired annuitants, and things of that nature.

## **7. Special Assistant to the Board, Lori Kurosaka Report:**

Special Assistant Kurosaka reported that EDD has submitted the 2012 draft Corrective Action Plan to the DOL Regional Office last week.

CUIAB is still waiting for the cost figures from EDD on the Feasibility Study Report, as well as other stats as to where their programs are at this point.

Member Ducheny asked about the status of the paperless project. Chief ALJ/Executive Director Roldan responded that they have control of the internal process of going paperless from the first level of appeal to the second level, but going paperless from the inception of cases would mean getting everything from EDD electronically, with a way of adding additional documents electronically, and then having an overlaying case management system that allows us to move those image documents throughout our system and utilize them at every step of the game. That's a much bigger project that requires working with EDD, because they have to come onboard with imaging. The interim solution is our co-location project.

Chair Dresser said he was under the impression that EDD was going to try to give us the cost figures by the end of this month, August, and that he is sensing from Special Assistant Kurosaka's report that might not happen.

Special Assistant Kurosaka responded that she cannot be confident of that because she is getting no feedback from the staff whatsoever.

Special Assistant Kurosaka reported on the Organizational Change Management engagement. She stated that our vendor staff has begun work onsite, which includes interviewing a sample of about 20 judicial staff and support staff throughout the field.

Chair Dresser asked what the ultimate goal of this contract was.

Special Assistant Kurosaka responded that it is to provide a plan for CUIAB to maximize the users' acceptance of new technology brought into CUIAB. That includes Dragon Speak and the Appellate Operations Paperless Project.

Special Assistant Kurosaka also reported on the Co-Location Pilot in the Los Angeles Primary Adjudication Center. They re-launched the project on June 13<sup>th</sup>. From June 13<sup>th</sup> the two staff have registered just over 1,000 appeals for the L.A. and Pasadena offices, and the appeals that have been completed from that pilot have taken an average of 42 days from appeal mail date to hearing decision mail date; and the statewide average right now is about 59 days. That is a phenomenal improvement.

Special Assistant Kurosaka reported on the Electronic Appeals Decisions Project, the project transmitting appeal decisions from CUIAB back to EDD for implementation. They are working with Tax Branch and DI Branch to extend the project to tax and DI decision. The vendor staff is on schedule with their design and should begin testing in early September, with implementation for tax around the third week of September and for DI around November 1.

**8. Chief ALJ of Appellate Operations, Jorge Carrillo:**

Acting Chief ALJ AO Contreras reported that Appellate Operations continues to struggle with the caseload in terms of processing. Registrations leveled off a bit in July; about 1% below the calendar year average. AO dispositions were reduced to an open balance at 19% above average. This reflects the fact AO has substantial resources that are going into training of the new ALJs, as well as the field ALJs that are assisting AO. He anticipates that when this training is complete, they should be able to return the existing ALJs to their full caseloads and then obtain the full benefits of the new judges. Case aging has also gone up and the time lapse standards have not been met. The appeal rate from FO has fallen to 7.4%, from over 8%.

Acting Chief ALJ AO Contreras further reported that the Oxnard and San Jose Offices of Appeal are scanning board appeals and sending them electronically to

AO. They are continuing to test their part of the process.

**9. Chief Information Officer, Rafael Placencia Report:**

CIO Placencia reported on the automated Hearing Scheduling system, that they are on target for implementing the system within AO by the end of this year.

CIO Placencia also commented on the EAMS system, observing that the hearing room consisted of an ALJ with a computer and monitor to be able to display the entire case file. We would provide a kiosk-like system where the user, the people who actually need to see that file, can interact with this kiosk out in the lobby so they will be able to review their file. The idea is that once we have gone electronic there is really no need to go back to paper. Right now we are a paper driven process and the key is to not go right back to paper.

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

Deputy Director Pam Boston reported on the following items:

- Overtime Report –We are continuing overtime in the area of registration.
- Dragon Training – We secured a vendor to provide Dragon Training to our in house trainers and our PC Liaisons. The training begins next week.
- We have a couple of promotional exams we are conducting: Office Technician and Administrative Law Judge II.

**11. Chief Counsel's Report:**

Chief Counsel Ralph Hilton reported that we are carrying 284 cases right now, with seven new cases last month and six closed cases, all but one of which was affirmed. The one that was not affirmed was a remand that we agreed to because the claimant was mistakenly not provided the opportunity to submit briefs and offer new evidence at the appellate level. We agreed to remand to remedy that oversight.

**12. Unfinished & New Business:**

Chair Dresser announced that the board will be having oral argument on the Daniel Yeager, Inc. case at 1:30 p.m. in the afternoon.

**13. Public Comment:**

There was no public comment offered.

**14. Closed Session:**

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

**Adjournment**