

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5556**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., September 11, 2012, in Sacramento with Chair Robert Dresser presiding.

2. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Robert Dresser, Chair	x	
Kathleen Howard, Vice Chair	x	
Alberto Torrico	x	
Roy Ashburn	x	

3. Approval of the Minutes:

The August 14, 2012 minutes were approved by all members.

4. Chair's Report:

Chair Dresser acknowledged the unexpected passing of Marsha Millett, the head of RSU for Northern California, who did a great job for CUIAB.

Chair Dresser reported that we've made some very good progress with our case aging and time lapse. Average case age, as of the end of last week is 26 days, well below the 30-day standard. We are no longer under a Corrective Action Plan for case aging. In the Corrective Action Plan for this coming year we have stated that we will achieve 60% for the 30-day time lapse by September 30, 2013, and based on our progress to date, 54% as of last week, we may be there by the end of this year, and hopefully by March we will be out of corrective action on this standard as well. Our 45-day time lapse performance remains above the standard at 83%, and we continue to exceed the 90-day performance guideline, at 98%.

Chair Dresser reported that the Co-location project was expanded to three offices, now in Los Angeles, Pasadena and Inglewood. We are saving anywhere from five to seven days for all cases processed through Co-location.

Chair Dresser thanked ALJ Tim McArdle for heading up the Executive Planning meeting this past Friday. Comments are that it was very successful and one result is that there is going to be support staff training in each office similar to the training for the ALJs beginning next month.

Chair Dresser reported that they had some success with retired annuitants. The Labor Agency has approved use of all of the retired annuitant ALJs, but we did lose some non-ALJ retired annuitants. He believes a total of some 19 have been officially laid off as of the end of August, and he just wanted to thank all of them for their hard work. Chair Dresser wished they could have kept them all and they tried to do so, but did not succeed in that effort. For us to really achieve our time lapse standards we definitely need to retain the remaining non-ALJ retired annuitant staff.

Chair Dresser thanked Board Member Kathleen Howard for overseeing the office during the past few weeks. He was out of the office as he contracted some kind of virus that laid him low. He thanked the other board members for their help in covering cases.

Chair Dresser reported on the Feasibility Report for going paperless. Labor Agency has approved the FSR and there have been some follow up meetings, and control agencies next to clear.

Lastly, Chair Dresser reported that we are making very good progress with the installation of the security cameras.

5. Board Member Reports:

Member Howard acknowledged the ongoing amazing hard work of all the staff and the senior staff in particular on special projects, and for always being available for her questions.

6. Public Comment:

There was no public comment.

7. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Roldan reported that Quality Review for the second

quarter 2012 was recently completed and for the first time in the history of the department, 100% of the cases reviewed received a passing grade. Department of Labor standards require that 80% of hearings score at least 85%. In fact, our average score was 94 out of 100. There has been a lot of focus on timeliness but it is very important that we not lose ground in terms of the quality of individual hearings and a respect for due process. In that regard, Assistant Chief, Angela Bullard, has been conducting training up and down the state, with ALJ Kim Steinhardt and a team of instructors supporting her effort.

Chief ALJ/Executive Director Roldan reported that they continue to make very good progress in terms of case aging and time lapse. For the month of August, average case age was as low as 23 days at the end of August. We're now at that point where we are getting tension between time lapse and average case age, because the more you improve in time lapse it actually hurts a little bit on average case age.

Chief ALJ/Executive Director Roldan reported that the month of August was a surprisingly active month in terms of intake, with 39,560 new cases. We closed 37,179 cases, well above the yearly average for closing cases. This is now four straight months where intake outstripped case closings. As a result Chief ALJ/Executive Director Roldan issued a directive to increase the number of hearings for ALJs between October 1 and ending on November 16. The hope is that with the return of people from vacations, and the case increase, we should deal with the bubble prior to the Thanksgiving holiday.

Chief ALJ/Executive Director Roldan reported that cycle time, which is the average period of time it takes from an appeal to the closing of the case improved by a day to 42 days in the month of August. They are continuing to make progress in that particular area as well.

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

Janet Maglinte gave the report on behalf of Special Assistant Kurosaka. She reported that the Co-location Pilot Project is going well. They've been able to add a staff person in late July and increased the number of field offices handling appeals through the Co-location Project to three offices and as of this week they are increasing to four. The Co-Location Project focuses on the upfront portion of the appeals process; from intake at EDD through registration on our end. In July the cases going through the Co-location Pilot took an average of five days from appeal date to the date of registered compared, to 11 days for cases that don't go through

the Co-location project. For the period of January through June of 2012, that savings was an average of seven days.

Janet Maglinte that CUIAB's part of the Corrective Action Plan for federal fiscal year 2013 was completed and submitted to EDD, which will incorporate it into the final State plan for submission to DOL. We should have a copy of the final plan soon to share with the board.

Finally, the Feasibility Study Report for the Imaging and Workflow System of Enterprise Appeals Project is making good progress, having completed the review and revisions process with EDD. We met with Labor Agency last week for their feedback and look forward to getting the report finalized with their comments so that its ready to go through the formal review process at the control agencies.

9. Chief ALJ of Appellate Operations, Elise Rose Report:

Chief ALJ AO Elise Rose reported that AO is continuing to improve its numbers. They registered 2,932 cases in August, which is in excess of their calendar year average of 2,603. The number of dispositions has increased to 3,087, the highest number since March 2012. AO's case aging is at 44 days as of the end of August. While this does not meet DOL standard of 40-days, the last five weeks have shown a decrease in the case aging every week from a high of 48 in July, which was in the midst of their most severe Filebound problems. For the time lapse guidelines, AO's goal is to have cases decided within 45 days of their appeal at a rate of 50% under the DOL guidelines. Although the average number of cases closed within that timeframe in August is only 28%, in the last week in August they closed 45% of their cases. For the 75-day time lapse, AO is closing 80.6% which is in compliance. They are also in compliance with the 150-day timelines as well.

Chief ALJ AO Rose reported that the average days in transit from field offices to AO is four days. The highest time in transit is from the offices in Pasadena at 6.47 days and Oakland at 5.76 days; and the lowest in Orange County at 2.41 days and Oxnard at 2.35 days so there still is that variation. The appeal rates from FO to AO in August was 9.1%, the highest since March and above the average over the year of 7.3%.

Chief ALJ AO Rose reported that they have an Executive Planning Session scheduled for Friday to address why AO's case aging and time lapse standards have slipped, with Filebound and inadequate staffing two of the primary causes.

Chief ALJ AO Rose reported that the Precedent Decision Committee has three precedents in the works. The board should see two of them hopefully this month. Also, the Board Paragraph Committee is working on its final draft and revisions for the standard paragraphs.

Chief ALJ AO Rose reported on the Super Shuttle case that will be coming to the board for oral argument in October. The primary issue is whether the people who drive the super shuttles are independent contractors or employees.

Chief ALJ AO Rose reported that Policy #17 requires AO to report to the board on a yearly basis on AO's evaluation of its telework policy. She provided the board with AO's evaluation report for their review.

10. Chief Information Officer, Rafael Placencia Report:

Chief ALJ/Executive Director Roldan reported on behalf of CIO Placencia that the security camera installation for the satellite offices will be completed by the end of October. Most of the southern offices are scheduled for September and the northern offices will be done in October..

The automated case assignment system for Field Operations, the ACSS Phase II project, is on target. IT, ACSS and the team assigned visited all of the field offices and documented their processes in order to obtain the necessary business information to develop the calendaring system for Field Operations.

The ECATS development is progressing as planned. Keifer Consulting is an outside consulting firm that will be assisting IT with the installation of SharePoint 2010 and the migration of its contents and a disaster recovery plan. They will be onsite here in Sacramento this week. The SharePoint system is the internal network, and Orange County is our disaster recovery site.

Lastly, Chief ALJ/Executive Director Roldan reported that we will be migrating as some point in the near future to Windows 2007 from Windows XP and the migration is currently being tested with various hardware and software configurations as part of the redeployment process.

11. Chief Administrative Services, Robert Silva Report:

Chief Silva reported that the board packets contain the Overtime Report for CUIAB for the month of July. The form reflects a lot of red numbers on the far right which indicates some branches are spending over their allocation. However, this is through July and the board did not adopt a formal budget with an overtime allocation until the August board meeting, so the report reflects hours that were worked prior to that time. They will continue to monitor the monthly overtime expenditures by all the branches in concert with the total CUIAB monthly expenditures so they can modify the overtime allocations accordingly.

Chief Silva updated that we have negotiated new hearing space in Victorville to replace the loss of our co-location site with EDD, which is leaving their building in that location.

Lastly, Chief Silva took a few moments to say something about Marsha Millett. It was 14 years ago that he accepted his first management position here in CUIAB and she was to be his boss. His excitement at the time was tempered by a lot of grim looks by people saying that Marsha ruled with an iron fist and he would never get along with her. Well, when he started to work with her he found the opposite to be true, and she taught him everything there is to know about Field Operations. He wanted to publicly thank and acknowledge Marsha.

12. Chief Counsel's Report:

Chief Counsel Hilton reported that last month the Board was served with 11 new cases and closed 26 cases, just one of which was a reversal. Some of those cases were cases that were closed out under the statute of limitations due to inactivity. There was also another published decision in one of our cases, and the first published case to deal with the extended unemployment compensation program. This one addressed the correct base period for purposes of determining eligibility for EUC, and upheld the Board's decision in that regard. Also, we expect service shortly of a rather significant writ by the union representing approximately 25 claimants working in the San Francisco Unified School District. As usual in these kinds of cases, the issue is reasonable assurance, this time with regard to periods between terms, not summer periods.

13. Unfinished and New Business: None

14. Closed Session:

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

Adjournment