

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5610**

Open Session

The Appeals Board convened at 10:30 a.m., September 13, 2016, in Sacramento with Chair Robert Dresser presiding.

1. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Robert Dresser, Chair	x	
Michael Allen, Vice Chair	x	
Ellen Corbett	x	

2. Approval of the Minutes:

The minutes of July 12, 2016 and August 16, 2016 Board meetings were approved unanimously.

3. Chair's Report:

Chair Dresser reported that AB 2886 was signed by Governor Brown.

Chair Dresser reported that staff will be working as time permits on amendments to Title 22, sections 5067, 5068 and 5050, to revise the time in which a party may move to reopen a hearing or move to reinstate a withdrawn appeal or petition.

Chair Dresser noted that he visited each of the field offices in the past few months, except for Sacramento and Fresno which he will do in October.

4. Board Member Reports:

Vice Chair Allen expressed concern about CUIAB having enough staff to meet the DOL timeliness requirements. He wants to ensure that CUIAB will be nimble enough to hire additional staff in the event of another economic downturn.

In addition, Vice Chair Allen expressed his gratitude to all the staff for producing work of such a high quality.

Member Corbett asked if CUIAB was following the latest employment trends, and anticipating calendaring needs if caseloads increase.

Chair Dresser responded that there is a meeting with the Employment Development Department on September 15 to discuss their revised estimates of CUIAB's UI and other workload.

5. Public Comment:

No public comment.

6. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales reported that for the month of August the Field Offices experienced an increase in time lapse measurements, although the yearly averages look good. She expects to get back on track in September when many of the ALJs will be back from their summer vacations.

Chief ALJ/Executive Director Gonzales commented that training on decision writing and the content of new precedent decisions will start on September 14 in Sacramento and thereafter will be rolled out to each of the Field Offices.

Chief ALJ/Executive Director Gonzales reported that she visited the Oakland and San Francisco Offices of Appeals during the week of September 5. She will be going to San Jose during the week of September 12 and will visit the other Field offices in the near future.

Vice Chair Allen requested that training materials be shared with the Board Members.

Chief ALJ/Executive Director Gonzales stated that she can provide the materials electronically and by hardcopy.

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

Chief AO Rose reported that AO's registrations were the exact same as last month at 1,059 and that its open case balance fell to 1,395.

Chief AO Rose reported that the Precedent Decision Committee postponed its meeting this month in order to seek some new members.

8. Chief Information Officer, Nick Dressler Report:

CIO Dressler reported that IT and Chief Gonzales received notification by the Department of Military that CUIAB has been selected to complete a bi-annual Security Assessment by December 2017. He will be meeting with the State ISO and staff to get that scheduled and learn the requirements of the assessment.

CIO Dressler reported that the State is combining the current ca.mail and ces.mail into what is called Office 365 mail. Vendors are being sought to help with CUIAB's mail migration. The new email system is predicted to launch sometime in November. The mail migration is anticipated to be seamless.

CIO Dressler reported that IT is on schedule to have the new L.A. phone system installed by the week of September 27.

CIO Dressler commented that there have been a couple network failures the past month. There was one in Fresno and San Bernardino, and they are working with the manufacturer Cisco to identify the cause of the failures.

CIO Dressler reported that IT is assisting Randy Petersen with his training by helping to video record training sessions.

CIO Dressler reported that this weekend IT will be doing a mini release of eCATS. eCATs will be down from Friday night to Saturday morning.

Lastly, CIO Dressler reported electronic time sheets are being rolled out for IT, Admin, Executive and AO. The same will be rolled out to the Field Offices within the next couple of months.

Member Corbett asked about the scope of the security review security that has been requested by the Department of the Military.

CIO Dressler responded that it's very comprehensive. It will include a review of IT policies, procedures, network security, password requirements, access to external applications, and disaster recovery plans.

Member Corbett commented that review is very important. She noted that CUIAB handles a lot of personal data and we should make sure it is properly protected.

Member Allen asked if CUIAB considers whether products are manufactured in the United States or elsewhere when it requisitions new IT products.

CIO Dressler replied that a high percentage of IT products are manufactured overseas. CUIAB uses state approved suppliers and we have a limited amount of product that can be ordered.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva reported on a significant saving achieved in renewed contracts for security monitoring services. The annual cost of \$40,000 for such services will be reduced to approximately \$18,000 per year without any reduction in services. Additional savings will be realized in the current fiscal year due to the ability to carry over unused funds from the expired contracts into the current year.

Chief Silva reported that also last month they completed the delivery and installation of 13 new mail machines throughout the entire agency.

Lastly, Chief Silva reported that yesterday CalPERS announced its annual open enrollment for health benefits.

Member Allen asked whether the savings realized on the new security monitoring contracts were due to reduced technology costs or reductions in labor costs. He expressed concern if costs savings are realized by a reduction in labor costs that we not be decreasing the hourly rate of the people who provide these services.

Chief Silva stated that the hourly rate is unaffected. The savings have been achieved generally by negotiating down mileage charges and other overhead costs.

Action Item:

10. Board to Consider Case No. AO-380199 (T), RWI Transportation LLC for designation as a precedent and possible vote.

Chief AO Rose stated that the decision before the Board has already been unanimously approved by the three member Board so the only issue before the Board is whether to make it a precedent decision. A decision may be designated as a precedent if it contains a significant or policy determination of general application that is likely to recur. It is the recommendation of the Precedent Decision Committee and the Chief of Appellate Operations that the Board designate this decision as a precedent.

Present representing RWI Transportation LLC was Jahmal T. Davis. He argued that the decision should not be made a precedent essentially because it may be further challenged in court.

Chair Dresser stated that there is always the possibility of a designated precedent being overturned in subsequent litigation. He noted that while that is a valid concern, it must be balanced against the need for the Board to provide guidance to its judges when similar issues are raised in future cases.

Present represented EDD was Mr. Blake Bandy. He stated that the Employment Development Department would not make arguments beyond what was already submitted in writing.

Chair Dresser noted that the consideration of whether to make a decision a precedent is done in the open session. He asked if there was a motion.

Member Corbett moved to designate the decision as precedent. Vice Chair Allen second. Each Board member voted. The motion passed unanimously.

Closed Session:

The Board adjourned open session at 11:15 a.m. and commenced closed session at 11:20 a.m. Closed session was adjourned at approximately 11:53 a.m.

The Board reconvened in open session at approximately 11:54 a.m. The Board had nothing further to report and recessed at 11:55 a.m.