

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5645**

Open Session

The Appeals Board convened at 1:00 p.m., August 21, 2019, in Sacramento with Chair Marty Block presiding.

1. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Marty Block, Chair	x	
Dan Reeves, Vice Chair	x	
Mike Eng	x	
Michael Allen	x	
Ralph Lightstone	x	

2. Approval of the Minutes:

The July 17, 2019, Meeting Minutes were approved unanimously.

3. Chair's Report:

Chair Block reported the August Board meeting was being live-streamed. He noted it will be available through the CUIAB website. He stated live streaming Board meetings provides transparency and allows people to see the Board at work. He reminded viewers that although the Board only meets once a month, the majority of the work is done between meetings, as the Board adjudicates appellate cases. He emphasized the importance of the decisions to involved parties. Unemployment checks can be a lifeline for someone temporarily unemployed or disabled. For small businesses who feel they have received unfair tax determinations, the decision can determine if they can stay afloat. Chair Block reported the Board reviewed and resolved 973 appellate cases in the past month.

Chair Block congratulated Member Allen on his reappointment. He reported Board Member, Michael Allen and he were both confirmed by the California State Senate.

Chair Block reported that the California Unemployment Insurance Appeals Board (CUIAB) with CalHR, on behalf of the agency, is in bargaining with Administrative Law Judges (ALJ's). As bargaining progresses CUIAB will have more information and more to report.

Chair Block thanked the Employment Development Department (EDD) for the excellent tours they provided for the Board Members and CUIAB staff. He stated it was very informative and educational.

4. Board Member Reports:

Vice-Chair Reeves no report.

Member Eng thanked Chair Block for the productive tour of EDD. He also thanked EDD staff and CUIAB staff for making the arrangements for the tour. He said it was touching to see the machinery, the technology and the dedicated hardworking EDD staff.

Chair Block thanked Member Michael Allen for suggesting new Board Members take the tours. He also thanked Lori Kurosaka for making the arrangements.

Member Lightstone no report.

Member Allen congratulated Chair Block on his reappointment as Chairman of the CUIAB Board. He thanked CUIAB staff that attended the Senate Confirmation. He said he appreciated the support. He also appreciated congratulatory emails received from staff throughout the agency.

Member Allen complimented his new colleagues. He said they are serious about the work, they go the extra mile and they are dedicated to the work.

Member Allen reported the CUIAB Newsletter is almost ready to be released. He reminded they are open, to people throughout the agency, who want to contribute to the newsletter. It is a great way to let people know what is going on. Member Allen said the Newsletter came up in his Senate Confirmation interview. The interviewers felt the newsletter was very positive. Although it was expected to be released in the summer, it is complete now and has a lot of good information.

Member Allen conveyed to the Field Offices that the Board Members appreciate how hard the work is. He said we appreciate the Judges, the support staff, the managers and supervisors. He said he tries not to let a Board Meeting pass without conveying this message. Nothing should be taken for granted.

Member Allen said he is impressed by Chair Block's attitude since he came CUIAB to continuously improve this organization. Member Allen stated he has seen great

progress in the agency throughout the 6 and ½ years he has served. Member Allen stated we are not perfect, but we do an excellent job and wants to see us continue along the path of providing the resources that everyone needs, training tools technology so that we can continue progressing as an organization.

Member Block suggested an informative statement for the newsletter regarding live streaming. It could advise how to get to live stream and the time and dates of Board meetings.

5. Public Comment

No Public Comment.

6. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales congratulated Chair Block and Member Allen for their confirmation. She said we have enjoyed working with them and all the staff have commented on how we have moved forward and how we are a cohesive organization with their leadership. We have worked with Member Allen for quite some time and appreciate the continuity and his great work with the newsletter.

Executive Director Gonzales reported managers will participate in the *Leadership in Government* program offered through Sacramento State University. Some Presiding judges have already taken the management course and the plan is to have all managers attend over the next two years. The next group will be Chief of Administration Services, Rob Silva, Presiding Judge of Appellate Operations (AO) Jodi Remke, and Presiding Judge from Los Angeles Office of Appeals, John Martin. They start in September.

Executive Director Gonzales thanked everyone for their great effort and for working together to get the live-stream project accomplished. Despite technological issues under the leadership of CIO Jeff Willoughby, IT department, Lori Kurosaka, and Janet Maglinte, the team effort worked. Executive Director Gonzales said it is a credit to everyone when we come together to make things work.

Executive Director Gonzales reported the Appeals Modernization Project is moving forward quickly. Meetings have been held with subject-matter experts who will assist to set the detailed requirements of the system. Everyone will have contributed to making it work from their perspective.

Executive Director Gonzales reported on Field Operations performance. The Field closed 58.2% of their cases in 30 days; the standard of 60%. They closed 87.7% of the cases in 45 days; the standard is 80%. The Department of Labor standard is evaluated on a yearly basis and the year-to-date average is 71.2% for 30 days, and 92.8% for 45 days. Traditionally summer vacation is responsible for lower production, but the agency always makes it up in the other months. The average age of pending cases is 26.4 days and the standard is 30 days or under. Overall we are still progressing well to meet all our Federal timeliness standards.

Executive Director Gonzales stated there were no Security Incidents for the month.

7. Presiding ALJ of Appellate Operations, Jodi Remke Report:

PALJ/AO Remke congratulated Chair Block and Member Allen on their confirmations. She reported on the July Performance Indicators for AO. The percentage of cases closed in 45-days or less is 95.1%; the standard is 50%. The percentage of cases closed in 75-days is 99%; the standard is 80%. Case aging for pending cases is 16.4 days; the standard is 40 days or less. PALJ/AO Remke said the results are in part due to the balance of open cases in the overall workload for AO which is slightly down. PALJ/AO Remke pointed out the caseload in the Field is increasing which might mean it will trickle up to AO.

Chair Block thanked PALJ/AO Remke and said the results were great.

Member Allen also thanked PALJ/AO Remke.

Chair Block gave credit to Board Members who are doing a great job. They process cases quickly, efficiently and with serious consideration.

8. Chief Information Officer, Jeff Willoughby Report:

CIO Willoughby congratulated Chair Block and Member Allen on their confirmations. He said he was pleased the video streaming was live and he is optimistic the process will get better.

CIO Willoughby reported they received the draft Audit Report from the Department of Technology. He said staff is summarizing the findings and preparing a response which is due by September 3.

CIO Willoughby reported on the Appeals Modernization Project. He said they have released a request for information. This takes our highest-level requirements and sends them out to the vendor community. The responses from the vendor community help us do market research. We find which vendors we will interview and decide which we will move forward with.

CIO Willoughby reported they are beginning initial phases of introducing a new trouble ticketing solution. This is for internal use, but involves IT Service Management, self-service for users and other simple things which may be handled online.

CIO Willoughby recognized William Lee who recently graduated from Digital Services Innovation Academy (DSIA). He asked Mr. Lee to address the Board regarding his experience.

William Lee reported that the Department of Technology picks students to take this class in Information Technology (IT) and Project Management. He said it was a great experience. He learned a lot on the latest IT technology, on gathering requirements, and software development. He said he made many contacts with IT professionals who were fully engaged. He stated he was grateful for the opportunity and he thanked the Board for allowing him to attend.

Chair Block stated such contacts can be very helpful when we need interagency cooperation or look to borrow ideas.

Vice-Chair Reeves asked CIO Willoughby if the Board would be able to see the Audit Report and the Agency Response. CIO Willoughby said he would provide summaries.

Chair Block thanked CIO Willoughby for his commitment to the Appeals Modernization Project. He said he appreciated the commitment of IT staff to try to work with EDD to make our system more smooth, efficient and effective. This is good for CUIAB to move forward with technology but is even more important for our parties.

Chair Block also thanked CIO Willoughby for setting up the live streaming of the Board. It is important for statewide organizations to be accessible and for everything not to be held in an office in Sacramento. Now through live streaming, we are distributing to interested parties throughout the state.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva discussed the Monthly Overtime and Lump Sum Payout report.

Chief Silva reported on updating our memorandum of understanding and service level agreements with EDD. He said to resolve issues with asset management, they met with EDDs business administration, identified and recorded both agencies responsibilities in the transferring and surveying of capitalized equipment and sensitive assets. Chief Silva reported that in order to resolve issues with the monthly workload reports filed with the Department of Labor, they have added additional language to the pending service level agreement. The resolution is for EDD to provide the service for us. We will complete the reports, provide them to EDD, and then EDD will upload the documentation to DOL.

Chief Silva reported on the Telephonic Interpreter service used by the agency. He said that in order to secure quality interpreters, we terminated our current contract. A contract has been awarded to a new vendor named Lionbridge Global Solutions. An announcement and user instructions have been sent to management. Starting September 1, we will use Lion Bridge for telephonic interpreters.

Chief Silva reported that we now have our 2019/20 Budget authority. This week and next we review the branch staffing requests in conjunction with our personal services authority so that we will be able to present a budget to the Board in September.

Vice-Chair Reeves asked Chief Administrator Silva, in case of a recession and our budget being on the decline, whether the agency is able to pivot if the demand for our services increases. Chief Administrator Silva said CUIAB works specifically with EDD, the holder of the federal grant for the Unemployment Insurance Program. During the October/May Revise, twice per year the EDD Programs Estimates group looks at our workload and what is happening nationwide. They provide unemployment insurance projections and our budget is adjusted up or down based on those program estimates. The ability to pivot rapidly is difficult due to not being able to hire rapidly because of the manner in which CUIAB receives funding involves a six-month delay.

Chief ALJ/Executive Director Gonzales stated the six-month delay with Federal Government funding causes work to build before we are awarded money. In terms of being prepared we keep lists current and available of who can be hired, we have a training program in place for new hires. We cannot always hire until the funding is granted, but we are as prepared as we can be.

Vice-Chair stated his concern is the possibility of our workload going up while we are cutting our budget. The fall is going to be important to closely monitor economic indicators to preserve as much of our budget as possible. We hate to cut the budget this fall cycle and then go into the new year with an extraordinarily high workload.

Member Lightstone asked if the October Revise is the estimate that feeds into the January budget. Chief Administrator Silva replied yes.

Closed Session:

There were no Closed Session items. The Board adjourned at 1:35 p.m.

Adjournment