

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5649**

Open Session

The Appeals Board convened at 1:00 p.m., December 18, 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 | |

2. Approval of the Minutes:

The November 20, 2019, Meeting Minutes were approved unanimously.

3. Chair's Report:

Chair Block reported the Board meeting was being live-streamed to provide transparency and allow people to see the Board at work. He reminded viewers the majority of the Board Members' work is performed between monthly Board meetings by reviewing individual appellate cases. Chair Block reported the Board reviewed and resolved 604 cases this last month and he thanked Board Members for their hard work.

Chair Block thanked the regional offices and executive staff for the work done during the power outages and fires. He noted the agency did not skip a beat, there was minimal impact on our offices and CUIAB was able to still get all its work done. He mentioned it at the LWDA statewide senior staff meeting where he met with other department heads. He noted that CUIAB offices held telephone hearings and rescheduled hearings. He was pleased our constituents did not suffer due to CUIAB outages. He acknowledged the hardships and suffering some people experienced due to the fires or power outages. Chair Block commended CUIAB staff for their quick response to the situation.

Chair Block congratulated CIO Willoughby and stated he heard at the Labor Meeting that CIO Willoughby had been doing great things.

Chair Block congratulated managers and supervisors who have completed Yellow Belt Six Sigma Training. He noted approximately 90% of the agency's managers have completed the training successfully. He also thanked the nine presiding judges who completed the Sacramento State Leadership Academy.

Chair Block reported the Meet and Confer process is ongoing with CASE. There is a very important meeting set for December 23, 2019. A meeting was previously canceled earlier in the month. He noted there are so many important items, such as the five-day work week versus the 4/10/40 work week, to be discussed potentially. He acknowledged that something must be done about this problem we are having regarding meeting out timelines. Management has done everything they can thus far, so now it is time for us to use the Meet and Confer process to collaborate with our judges and figure out what is the best way to proceed. He is looking forward to good faith bargaining at the next meeting.

4. Board Member Reports:

Vice Chair Reeves – No report.

Member Eng thanked the Los Angeles Presiding Judge John Martin for the invitation to the Board Members to join the Los Angeles administrative law judges at an event on December 4, which he attended. He had met Judge Martin earlier in the year and was introduced to about 20 of the Los Angeles ALJ's and their support staff. The event gave him a chance to express appreciation, on behalf of the Board, for their service. Judge Martin told him that he enjoyed the meeting and training he attended with Chair Block and Executive Director Gonzales and enjoyed their relationship.

Member Eng noted the work of the Los Angeles office and acknowledged the passing of retired Presiding Administrative Law Judge Tim McArdle in October, who first worked for EDD and then for CUIAB for 32 years before retiring. Judge McArdle mentored Jasmine Mukai, retired Presiding ALJ from Oxnard, who asked Member Eng to emphasize Judge McArdle's service as a mentor and a trainer to many of ALJs. Judge McArdle will be missed.

Member Allen thanked everyone from all levels of the organization for the good work being done. He commented that he has over 40 years of experience in collective bargaining. Member Allen said there is a stamp issued by the government regarding collective bargaining that says "out of conflict accord", and he has every confidence in the management team and CASE representatives that things will be worked out because when there is goodwill on both sides and an honest desire to figure out the problems, you can work through most anything. Member Allen noted CUIAB's wealth

of talent as a team and analogized that many successful teams have squabbles, but they come out working together. He commented that CUIAB is here for the people of California and he knows we all share that mission that we want the very best for our citizens, the residents and everyone that we serve employers, claimants. He is confident that over the next couple of sessions, disputes can be resolved in a way that everybody is satisfied, happy and proud of the result.

5. Public Comment

No Public Comment.

6. Chief ALJ/Executive Director Report:

Chief ALJ/Executive Director Gonzales reported positive news that time lapse is still being met on an annualized basis, issuing decisions in at least 60% of the cases within 30 days and 80% within 45 days. In addition, monthly performance has improved slightly since October. She noted, however, that we must continue to improve the monthly performance in order to successfully meet the federal standard measured in March—a difficult challenge because CUIAB remains precluded from returning ALJ caseloads to the level required to dispose of cases in a timely manner. She noted that they are presently meeting with the union to accomplish this and is hopeful the process can be completed in time to have an impact on the measurement year that ends in March. She noted it has taken some time to coordinate the meetings with CASE and until those meetings are finished, they will be unable to implement caseload changes.

Chief ALJ/Executive Director Gonzales reported that five new ALJ II positions have been filled and interviews are being scheduled for five additional candidates.

Chief ALJ/Executive Director Gonzales the Board that the presiding judges were previously directed to be very conservative regarding vacation approval for ALJs. She has amended that to direct that vacations for March should not be approved except under extenuating circumstances.

Chief ALJ/Executive Director Gonzales further reported that they are reviewing 4/10/40 work week schedules and evaluating how that schedule impacts hearing scheduling, timeliness and access to parties. With the 4/10/40 work week schedule, many ALJs are off work on Monday and Friday, which impacts the ability to get the cases out in a timely manner. The Board is making every effort to provide the best service possible to the public and also meet federal timeliness requirements.

Chief ALJ/Executive Director Gonzales reported there was only one security issue

the past month. On December 10 in the Long Beach field office two parties were at the reception window at the same time and apparently one of the parties left her wallet, which was stolen by the second party while the owner was in a hearing. After being confronted by the receptionist, the individual admitted to having stolen the wallet and returned it.

Chief ALJ/Executive Director Gonzales reported that CIO Willoughby is being nominated for the Public Sector IT Leadership Award. The CIO Academy asked for nominations of CIOs for this award. George Okamoto, CIO for Labor Agency, is very supportive of CIO Willoughby's nomination. Chief ALJ/Executive Director Gonzales congratulated CIO Willoughby and commented that he has been a good addition to the CUIAB and that the staff enjoys working with him.

Chief ALJ/Executive Director Gonzales reported that Rob Silva will be completing his Sacramento State Leadership Program on January 8, 2020.

Chief ALJ/Executive Director Gonzales reported that the Lean Belt Training sessions, specific to CUIAB, have been completed. Those who have attended commented that it was interesting to work as a team on work-related class projects. The training provides an opportunity for people to meet each other throughout the state in an educational context and where there is also opportunity to socialize. She noted the training sessions were successful and effective, and acknowledged Lori Kurosaka for spearheading this special program for CUIAB.

Member Allen commented that, from his perspective from being on the Board for a length of time, there has been significant improvement over the years with IT. He thanked CIO Willoughby and the entire team responsible for moving forward.

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

PALJ/AO Remke reported the figures for the DOL guidelines, once again positive as the Board met all DOL standards. For cases closed in 45 days or less, the standard is 50% and last month AO's performance was 89.9%. For cases closed in less than 75 days, the standard is 80%, and AO achieved 98%. The average case aging increased slightly from last month. She attributes this to the fact that some of the AO ALJs are hearing cases in the Field in order to assist meeting federal timing standards for Field Operations.

8. Chief Information Officer, Jeff Willoughby Report:

CIO Willoughby thanked to the people who nominated him for what is truly an honor and said he will continue to work hard to earn the it.

CIO Willoughby reported that the internal business subject matter experts (SMEs) continue to work on requirements to provide the vendor to build the new appeals system. Partners at the Department of Technology have officially received the Board's submission and CIO Willoughby anticipates being able to move on to the next step of contract and procurement within the next 30 days.

CIO Willoughby recognizes that a change of this magnitude represents a significant shift for many in the organization, but assured that all of the disciplines in the organization are represented in the project, and they are moving forward with the "people first approach" for both internal and public users of the system. To that end, they have developed an Organizational Change Management (OCM) Team comprised of PALJ/AO Remke, Lori Kurosaka and others who will work on messaging for the organization.

Member Allen commented he has worked on a lot of projects where change is required and there are always difficulties, hiccups and frustration, but it is well worth it for the sake of improvement.

Chief ALJ/Executive Director Gonzales acknowledged Janet Maglinte who is retiring December 20, 2019. She noted that Ms. Maglinte was a regular at the board meetings, easy to work with, and a dependable and very hard-working employee. Ms. Maglinte worked on many of the reports along with Lori Kurosaka. Janet worked on zip code realignment maps, on the Organization Change Management Project, and many other successful projects. She thanked Ms. Maglinte and wished her good luck.

Chair Block added that he has served as Board Chair for three years and Ms. Maglinte was one of the first people who helped in getting him acclimated when he was new to the Board. He acknowledged her as a wonderful person to have with the organization and hopes she enjoys retirement.

Member Allen expressed his appreciation for Ms. Maglinte's help with the Newsletter. He commented that she has been a great asset, and he wished her well in retirement.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva reported that he attended the Leadership Academy cohort offered through Sacramento State University. He was paired with PALJ John Martin in this session and their graduation will be on January 8, 2020. The class selected Judge Martin to speak on its behalf at graduation.

Chief Silva reported that there was no overtime report or lump sum report through November in the board packet materials because they did not receive the blanket report from EDD's Fiscal Unit in time for the meeting.

Chief Silva did, however, give the overtime and lump sum payout report for the previous month. Through October 2019, 144 hours of overtime was utilized, representing 12% of the total allocation through 1/3 of the fiscal year. This results in projecting a surplus of \$31,000 for state fiscal year 2019/20. There will be some upcoming impact to this because on December 4, 2019, Field Operations began utilizing overtime to perform verification work. He anticipates being able to provide more information during January's board meeting.

Regarding lump sum payments through October, they were projecting a budget shortfall of \$200,000 for the fiscal year, due in large measure to a few retirements that accounted for almost one half of the lump sum year-to-date pay. He fully expects that shortfall to reduce in the coming months, but he wanted to assure the Board that if that shortfall becomes a reality, the Board has expenditure savings in the Personnel categories that will assure that CUIAB will stay in the black.

Chief Silva reported that there have been challenges in the implementation of the FisCal program with EDD's Fiscal Programs Division, in particular reporting delays. Notwithstanding, and because we are careful in tracking our hires, separations, contract requests and invoice approvals within operating expenses, those delays do not place CUIAB at the risk of spending outside of the budget allocations. =

Chief Silva reported that in November they audited employees who receive bilingual pay differential. Thirty-nine employees covering six languages completed time ladders to ensure they are utilizing their bilingual skills at or above the 10% threshold required to receive that the pay differential. The audit is done biannually during the state fiscal year and the next audit will be conducted in May.

Chief Silva reported there has been continued workload reduction in the Suisun area in Northern California. Because of that and our ability to transfer the work associated with Suisun to Concord, Sacramento and the Bay Area Offices of Appeals, the lease in the Suisun outstation was ended on November 30, 2019. Last week, Chief Gonzales signed the request for lease renewal for the Venture Oaks Facility. The lease does not expire until March 2021, but this will provide a one-year lead time.

Member Allen asked about the success of the consolidation of offices into the Bay Area Office of Appeals. Chief Silva advised that with regard to service to the public, there has been essentially no change because of the availability of hearing rooms

at the San Francisco location.

Chair Blocked wished anyone who might be watching around the state a happy holiday and a happy new year.

Closed Session:

There were no Closed Session items. The Board adjourned at 1:28 p.m.

Adjournment