

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5652**

Open Session

The Appeals Board conducted a public meeting via teleconference at 1:00 p.m., April 15, 2020, 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	
Laura Kent-Monning	x	

2. Approval of the Minutes:

The February 19, 2019, Meeting Minutes were approved 4-0 with Member Kent-Monning abstaining.

3. Chair's Report:

Chair Block reported the March board meeting had been canceled and the current board meeting was being conducted by teleconference due to COVID-19 and the need to practice social distancing. He reiterated the purpose of live meetings is to provide transparency to allow employees, constituents and parties to actions a chance to observe the Board at work. He noted that most of the Board Members' work is performed between monthly board meetings by reviewing individual appeals and resolving cases. The Board resolved 1,370 appeals since the last board meeting.

Chair Block welcomed new Board Member Laura Kent-Monning. He stated he knows her father, Senator Bill Monning, very well and looks forward to getting to know her. The Board is now fully-appointed and an increase in cases is expected soon. Chair Block thanked Governor Gavin Newsom for Member Kent-Monning's appointment.

Chair Block reported the agency met the Department of Labor (DOL) timeliness standards in March. He noted the possibility of not meeting these when the impact of the Coronavirus struck, but with thanks to Chief ALJ/Executive Director Gonzales's leadership, the efforts of the presiding judges, ALJs across the state, and all the staff that support them, CUIAB met the standards.

Chair Block reported that Chief ALJ/Executive Director Gonzales will be retiring and that a search for her replacement is being conducted. Chair Block thanked Executive Director Gonzales for her great work and outstanding service to CUIAB over many years.

Chair Block reported that due to COVID-19, CUIAB has worked to change the way it conducts business by enabling hearings to be conducted telephonically rather than in person. As a result, many of the judges and staff are now telephonically working from home. However, some staff, who cannot do their work from home but are essential to CUIAB's operations work in the office, practicing social distancing. Chair Block credited CUIAB leadership for a smooth and swift transition to telework during this crisis.

Chair Block reported that the Governor's statistics indicate that over the last four weeks 2.3 million people have claimed unemployment benefits—an amount greater than claimed in all of 2019. In the last week alone, nearly one million claims were filed, equivalent to a 2,418% increase in comparison to the same week last year. Chair Block acknowledged the demands that CUIAB Board Members, judges, and staff will face for the foreseeable future and thanked everyone for their hard work.

4. Board Member Reports:

Vice Chair Reeves congratulated the judges and staff who worked very hard to meet federal timeliness mandates, with special thanks to Chief ALJ/Executive Director Gonzales and her team. Vice-Chair Reeves welcomed new Board Member Laura Kent-Monning.

Member Eng read a summary of comments he received expressing gratitude for California's unemployment insurance program and for those who work to make it function. Member Eng extended his appreciation to everyone making this possible.

Member Eng thanked Chair Block for authorizing an earlier tour of an EDD facility. He welcomed Board Member Laura Kent-Monning and noted that he also served with Member Kent-Manning's father, and shares Member Kent-Monning's

background in immigration law and her work to ensure benefits for immigrants. Member Eng thanked Executive Director Gonzales, the FO and AO judges, and everyone involved for rising to meet the new challenges and workload, stating that the Board will benefit from the experience of Member Allen and others.

Member Allen thanked CUIAB's staff and the leadership team for quickly responding to the public health emergency. He noted the complexity of implementing telephonic hearings and commended the IT department for this.

Member Allen expressed appreciation for Chair Block and Executive Director Gonzales's communications with staff during this period, which showed compassion and appreciation for the staff's work in meeting the demands of this public health emergency. Member Allen noted that he is proud of the agency, this administration, and all of California's public workers for rising to the public health challenge. Member Allen welcomed Board Member Kent-Monning to the Board, advising that he also served with her father and looks forward to working with her and the other Board Members.

Member Kent-Monning thanked her fellow Board Members and Chair Block. Member Kent-Monning stated it was an honor to join the Board and serve California. She acknowledged CUIAB's leadership, all of its employees, and their ability to quickly transform the Board's operations. She expressed gratitude for her warm welcome and stated it was inspiring to see everyone's work and commitment to serve California. She looks forward to working with everyone, hopefully in person, in the not-too-distant future.

5. Public Comment

Chair Block reported receiving a letter submitted to the Board by retired ALJ Wong.

6. Chief ALJ/Executive Director Report:

Executive Director Gonzales welcomed Board Member Kent-Monning. They are looking forward to working with her and noted that Member Kent-Monning has already started adjudicating cases.

Executive Director Gonzales commended the efforts of CUIAB's senior staff and thanked the Board Chair and Members for their support. Before the pandemic, CUIAB focused its efforts on meeting timeliness standards as of March 31. This included taking actions including establishing a workload team and restricting vacations. As a result of its actions, CUIAB met both the 30-day and 45-day

standards, with 61.2% of the cases closed within 30 days, and 82.7% of the cases closed within 45 days. CUIAB also met the case aging standard, with an average case age of 20.2 days as of March 31. Executive Director Gonzales recognized this accomplishment as a team effort starting with the staff in field offices, the clerical staff, the legal support supervisors, the presiding judges, the IT staff, the executive team, and thanked everyone for their work.

Executive Director Gonzales reported that CUIAB does not currently have a backlog and is well-positioned to move forward with the challenges of the new circumstances. She appreciated Member Allen's understanding of the difficulty and efforts required to quickly change business practices to implement telework, including closing offices to the public, obtaining equipment, developing new work policies, training employees, engaging with the unions, working with the Department of Labor and the Labor and Workforce Development Agency. Management of the local field offices has worked hard to effectuate this. CUIAB staff have also mastered the use of Microsoft "Teams Meetings" and hope to have next month's Board Meeting conducted via Teams. CUIAB is working on obtaining more equipment including laptops and phones to facilitate telework.

Many of the ALJs are working from home or are working independently in hearing offices facilitating social distancing. Unfortunately, due to CUIAB's paper-based appeals process, some employees must perform work in the office including preparing files for hearings, preparing other materials, and mailing decisions. The staff is very much appreciated for their work.

CUIAB has received multiple communications from various agencies involving the new federal programs and analyzed the implementing federal regulations. Staff has worked diligently to clarify and implement administration policies, and respond to employee requests for leave under the federal programs.

Executive Director Gonzales advised that the number of claims filed in the last month exceeded the number of claims filed in the entire fiscal year. There is an approximate two-month lag period before CUIAB begins to receive appeals involving new claims, and so CUIAB will likely begin to receive appeals involving March's COVID-19 related claim filings in the last week of April.

Executive Director Gonzales reported CUIAB is in the process of recruiting 18 ALJs and additional support staff. She hopes to interview, conduct reference and background checks, and onboard a portion of the ALJs by mid to late May. CUIAB will attempt to conduct interviews remotely through Microsoft Teams meetings. For support staff, CUIAB will review the Budget's May Revise, evaluate workload then determine which positions are necessary and their locations.

Executive Director Gonzales reported on CUIAB's Appeals Modernization Project, the electronic case management system. Working with the Department of Technology and the Labor Agency, CIO Willoughby has obtained the Department of Technology's agreement to expedite the project.

Chair Block, Vice-Chair Reeves, and Member Eng thanked Executive Director Gonzales for her work and accomplishments in changing operations and meeting the DOL's timing standards.

Member Allen recognized the complexities of implementing telephonic hearings and inquired if there have been health or safety concerns arising for the staff related to COVID-19 or otherwise during the past month. Executive Director Gonzales advised there have been no security concerns due to offices being closed to the public and the implementation of telephonic hearings. Many questions have been raised involving procurement of sanitizer, gloves and similar items, as well as the impacts of local shelter-in-place orders. CUIAB has responded to inquiries and provided information consistent with administration policies.

Member Allen noted that during a press conference with Governor Newsom and Labor Agency Secretary, Julie Su, they indicated the State will set up a new system to implement the federal Pandemic Unemployment Assistance program (PUA) for self-employed workers, independent contractors, or gig workers, and asked if this will require the agency to train the judges in using the system. Member Allen indicated he would appreciate the Board receiving additional information on this system and program as it becomes available. Executive Director Gonzales advised that PUA is modeled after the DUA (Disaster Unemployment Assistance), which Member Allen is familiar with following the previous fires, and that Judge Harrison and PALJ Remke are working on training materials to provide the ALJs on the new programs.

Member Allen further noted that the Governor mentioned he is signing various declarations that might affect the UI system and workshare. He requested that Executive Director Gonzales share information on new developments concerning this with him. Executive Director Gonzales confirmed that the Governor has issued several orders which are published on the Governor's website and that she could inform on ones impacting CUIAB's operations.

Member Kent-Monning expressed appreciation to Executive Director Gonzales for her work and leadership, and acknowledged the work required of all staff in responding to the recent challenges.

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

PALJ/AO Remke reported that for the month of March, 17.6% of the cases were resolved within 45 days or less. Though this is a significant change from the past year when AO averaged 90% or more resolved within 45 days, for the year AO met the DOL's requirements with an annual average of 81.6%. The change resulted from the AO ALJs being deployed to conduct hearings in the field. PALJ/AO Remke thanked all the AO ALJs who helped in the field office and noted that their hard work and commitment to the agency helped field operations to meet timeliness standards. She anticipates AO's performance will return to its prior levels in the upcoming months as all AO ALJs have returned to AO.

Chair Block and Member Allen thanked PALJ/AO Remke for her work. Member Kent-Monning thanked PALJ/AO Remke and also thanked her for providing her training during the past month.

8. Chief Information Officer, Jeff Willoughby Report:

CIO Willoughby reported this is the first Board meeting conducted via audio conference and thanked the Board Members and everyone for their patience and flexibility in setting it up. Going forward, they are working on additional options for teleconference meetings recognizing the need for the availability of public participation and the security of closed session discussions.

CIO Willoughby reported that the IT Department has been working on the employee telework program and extended his appreciation to staff. CUIAB has used Microsoft Teams as both a training and communications tool. Over the past 30 days, there have been over 260 meetings held using Microsoft Teams, including Member Kent-Monning's training.

CIO Willoughby reported on the cooperation with State CIO, Amy Tong, and LWDA Information Officer, on CUIAB's Appeals Modernization Project which will minimize the use of paper within the organization. They anticipate retaining a vendor and commencing work in the next several weeks.

Chair Block thanked CIO Willoughby for coordinating the telephonic meeting and hoped that the Board would be able to meet in person again by June. Vice-Chair Reeves also thanked CIO Willoughby and his team for their work adapting to the new circumstances. Member Eng thanked CIO Willoughby for his response to his prior inquiry regarding use of "My Analytics," and noted the issue has been resolved.

Member Eng also expressed appreciation for the assistance provided by staff resolving a problem logging on to his computer. Member Allen asked CIO Jeff Willoughby to inform his staff that they are noticed and appreciated by all the Board Members, and stated the comments being made indicated he was doing a great job. Member Kent-Monning echoed her appreciation to CIO Willoughby and the IT staff, and acknowledged their work bringing her onboard this last month with Teams training. She noted IT staff were always available to help.

9. Chief Administrative Services, Robert Silva Report:

Chief Silva reported on the state Bilingual Pay Differential. Historically it has been \$100 per pay period for the employee. This has been increased to \$200, backdated to October 31, 2019. The increased differential will benefit 39 CUIAB employees.

Chief Silva reported that last week he sent an email to all employees indicating the California Department of Public Health has advised that employees who interact with coworkers may consider wearing a cloth face covering. Employees who wish to purchase face coverings, gloves, or sanitizing products for use in the workplace may receive reimbursement. Over the last month, CUIAB's orders of pandemic-related items have been placed on back-order by vendors. Offices are starting to receive previously back-ordered products and CUIAB is continuing to explore all procurement avenues for these items.

Chief Silva reported that the current fiscal year deadline to submit purchase orders for non-IT commodities is next Thursday. CUIAB has some outstanding requests for furniture and equipment for the current fiscal year, and these purchase orders should be completed by this Friday.

Chief Silva reported that effective April 1, 2020, employees may apply for emergency paid family leave (EPFL) and/or expanded family and medical leave (EFMLA), and described the benefits available under these programs. Last week, forms were distributed to all the CUIAB employees for those programs and several requests have been approved.

Chief Silva reported that with the implementation of the Pandemic Unemployment Assistance program emergency unemployment compensation and the federal pandemic unemployment compensation program the EDD is coordinating the supplemental budget requests applications to the Department of Labor for the one-time cost to implement the administration of these programs. California's supplementary budget request is due to Department of Labor on April 30, 2020, and CUIAB's deadline to provide EDD with projected one-time administrative costs

associated with these programs is April 17, 2020. The administrative costs include IT programming for CUIAB's appeals tracking system, the time reporting systems, ALJ and staff training, standard paragraph development, and updates to the Field Operations Procedure Manual. When CUIAB receives appeals associated with these programs after they have been implemented, it will have "direct charge" program activity codes that are used to track the time spent regarding the programs.

On March 12, 2020, CUIAB they received the first initial workload results from EDD's Program Estimates Group. It was less than a week later that the pandemic started taking grip and California's economists issued forecasts indicating unemployment rates higher than the projected rates that drove those initial workload projections received on March 12, 2020. We were subsequently sent updated workload projections. During the following two-week period we saw nationwide UI claims at record levels. This prompted California economists to project higher unemployment rates than previously projected in late March and last Monday, April 13, 2020, CUIAB received updated workload projections. Barring further updates, these will be submitted for the Governor's May Revise.

Chief Silva thanked the Administrative Services staff for their work resolving many issues over the past weeks. Chief Silva also expressed appreciation for the work of CUIAB's senior staff--Elena Gonzalez, Jodi Remke, Jeff Willoughby, Mark Woo-Sam, Lori Kurosaka, Kim Hickox, Siek Run, Ralph Hilton, and Carl Vega—over this period.

Member Eng noted that two months ago the major discussion involving the budget involved the potential impacts of AB 5, in particular for tax classification cases, and asked Chief Silva if that was still part of the discussion or whether it had receded in the budget talks. Chief Silva advised that it had receded from the budget talks and that EDD's Programs Estimates Group is not making a budget consideration for CUIAB in connection with AB 5 for the coming fiscal year due to uncertainty regarding workload impacts. However, as a result of the pandemic, there may be significant adjustments to the October Revise.

Member Allen thanked Chief Silva for his mentioning the names of those with whom the Board works with and appreciates. Member Allen inquired about documenting the high levels of uncertainty in forecasting workload during the public health emergency and its ongoing impacts. Chief Silva advised that EDD is utilizing unemployment rates forecasted by economists and that changed circumstances can be addressed through the October Revise process.

Closed Session:

There were no Closed Session items. The Board adjourned at 1:58 p.m.

Adjournment