

The Judicial Council of California is the constitutionally created policymaking body of the California courts. The council meets at least six times a year for business meetings that are open to the public and audiocast live via the California Courts website. What follows is captured live captioning, formatted and unedited, of the last meeting. The official record of each meeting, the meeting minutes, is usually approved by the council at the next business meeting. Much more information about this meeting, the work of the Judicial Council, and the role of the state court system is available on the California Courts website at www.courts.ca.gov.

>> Good morning. Welcome. This is the educational meeting of the Judicial Council of California for February 25, 2013. This is part of a two-day meeting, and our business meeting will take place tomorrow. The meeting is now in session.

>> I remind council members that our meetings are audiocast live with real-time captioning on the California Courts website. I believe council member Ms. Angela Davis is or will be joining us by phone. And for her benefit and the benefit of the online audience, please speak into your microphones and address each other by name so that listeners and real-time captioning readers can follow our discussion. The Judicial Council has an open-meeting policy under rule 10.6. Our business meetings are open to the public. Our agendas are posted in advance. Our meetings include public comment, our audio cast over the Web, press releases issued on all of our actions, the minutes are posted to the Judicial Council website, and the chairs of our internal committees report on their activities at every regularly scheduled council meeting in writing and also verbally. We enhance our Judicial Council website on a regular basis, and for this meeting, biographies of members have been added to the site. And I know there are plans to continue to enhance the site by expanding the information provided to the public, not only on the work of our internal committees but also our advisory committees. We had a one-hour closed-session meeting earlier today—that also was covered under rule 10.6—to deliberate on a procedural and legal issue. The bulk of today’s education meeting is open to the public, and certain of our commissions, working groups, and task forces have open their meetings to the public, including the Court Facilities Working Group, which is dealing with the difficult issues of balancing reduced funding with safe and secure courthouses for the public. Over the last two years, Justice Miller and the Executive and Planning internal committee have done much to improve the efficiency and effectiveness of council committees and their accessibility of the public. I’m sure we will continue to do so. The first item on the agenda is item one. No action. This is an education meeting. It’s the Phoenix program, the deployment of Phoenix payroll systems. I believe we have Jody Patel, AOC Chief of Staff, and also Mr. Curt Soderlund, AOC Chief Administrative Officer. Welcome.

>> Thanks, Chief.

>> Thank you. This was prompted by an event that occurred roughly two weeks ago within the announcement that the State Controller’s Office was canceling what’s called the 21st century project, in terms of their relationship with a specific vendor. Because of that termination, Justice Miller asks that we give a short presentation regarding Phoenix here today. One distinction of note is the fact that SAP the product is the same thing that we use for Phoenix payroll. There is

nothing wrong with SAP, the product. The issue, as we understand it, dealt with SAP Consulting, which is a different arm of SAP. It's noteworthy that SAP Consulting in the industry is known as just about the most expensive consulting firm to have onboard. So, we're going to go through a PowerPoint presentation. There is a fact sheet, the Phoenix program timeline, and the Phoenix program metrics that in your handouts, also. So with that I'll turn it over to Jody.

>> Thank you. Good morning. The Phoenix program, as many of you are aware, is—in terms of services and functionality—equivalent to what the executive branch has with the Controller's Office, Department of Finance, and the Department of Personnel Administration, all rolled into one, and it's the judicial branch's version of those three departments on the executive branch side, and as Curt just mentioned, our Phoenix program is consistent and similar with the executive branch's efforts with two projects: Twenty-First Century Project, which is a project that the State Controller's Office has embarked on, which would provide payroll services to all executive branch agencies, and the fiscal project, which is sponsored by the State Department of Finance, which would have the financial accounting and procurement components, similar to Phoenix. Phoenix is a comprehensive statewide, integrated administrative system, and it covers financial management, procurement, HR management, and payroll for the trial courts. SAP, as Curt has indicated, is an enterprise resource planning software. So we differentiate the software that we are using from the vendor that we utilize in helping us configure the software for use by our branch. SAP, just to give you a little bit of background, is a company that started in 1975 by former—I'm sorry, '72—by former IBM employees. It stands for systems applications and products, in German. I'm not going to say those words, because I can't pronounce them, but the translation is systems applications and products, and our software includes both components, financial and HR, and both sides of SAP—you can have an organization that only has one or the other, or for organizations and branches that have both components, the financial piece and the HR piece—the software is meant to be fully integrated so that when you run payroll for an organization, the dollars that it costs for the payroll can easily be transferred electronically to your financial side of your shop, if you will. That is kind of the beauty of Phoenix, if you will, 'cause it's all integrated and it works really well in sync with each other. For the judicial branch, our Phoenix program, the financial and the HR sides, both started on two separate tracks. In the early 2000s, the AOC embarked on what was then known as CARS, Court Accounting and Reporting System. Several years later, we embarked on the HR component, which at that point in time was called CHRIS, the Court Human Resources Information System, but because we had some issues by developing both sides of the product on two very separate tracks, we ran into some functionality, communication, as well as some management issues with the project. Back then, the project was headed up by the directors of finance, IS, and HR here at the AOC. In 2006, when I came to the AOC, in March of 2006, as a regional administrative director, we had deployed the financial side of Phoenix to about 15, 18 courts, something like that. At that point in time, as I just mentioned, because they were split projects, we ran into some issues. In particular, we were receiving quite a number of complaints and resistance from the trial courts, because the system was developed using a medium-sized court as a pilot. Then, whatever was developed for that medium-sized court was the actual software that was being deployed to all of the trial courts, based on a schedule, regardless of size or other needs that the court might have

had. So, in May of 2006, the project was shifted to the Northern/Central Regional Office, where Curt and I took over the split projects, and we merged both of the HR side and the finance side, all of the teams, all of the staff together. We rebranded the entire project; we called it Phoenix, and we stepped back and—you wanna go to the next slide. We formed an advisory commander; there was really no mechanism for trial courts to have input into a system that was being deployed to the trial courts. So one of the first things we did was we developed an advisory committee that was representative of small, medium, and large courts so that the court executive officers who end up having to live with the system—they and their staff—had direct input with regard to what's working, what isn't working, what do you need, how do we make it better to meet your needs. We also created a change control review board. Our philosophy back then was that the system is a system that was necessary as a statewide branch for us to ensure that we have consistent information coming from all 58 trial courts. So, the AOC is responsible for deploying the system and managing the system, but our philosophy truly was that it's the trial courts and their employees who really have to live with the system day in and day out and so it's got to work for them, and the way that, in addition to the committee, that we formed the control review board, so that the board was comprised of a variety of different folks, so that we could solicit input on the priority for changes that were needed in the system directly from the trial courts.

>> In addition to that, Phoenix is not a static system. There are roughly 6 to 10 changes that occur on or weekly basis, and a lot of it is just on the natural. There are changes regarding statutes or tax laws that have to be configured in the system. If there are changes in health plans or dental or whatever, retirement, then those also have to be configured into the system, so it's a dynamic process, basically.

>> The other change that we made was that we developed—we refined the schedule for deploying the financial system to all 58 courts, such that every quarter we were deploying the finance piece of it to at least three to five courts. We also worked with our vendor. Early in the, when we first inherited the project, our vendor was Baring Point. It was very, very clear to us almost immediately that there were some significant issues with regard to configuration of the system, as well as some of the practices by the vendor. So, we opted to terminate our agreement with that vendor and put the entire project out to bid again. We contracted with EPI-USE, which is a world-renowned vendor that specializes in SAP deployment. One of the key things that we were able to do is, our staff watched the vendor deploy the Phoenix system to the trial courts during one cycle. The second cycle, our staff did some of the deployment activities in partnership with the vendor. The third cycle, our staff did all of the deployment activities with oversight from the vendor and then gradually moved away from using the vendor, where our staff were able to do these deployments on their own. We did develop some guiding principles in partnership with several of the court execs. We actually, one day, had a meeting that lasted for hours, which was very enlightening for us, where we sat down and said tell us everything you want to tell us about the system. We got an earful. Based on that, we developed some guiding principles: The configuration of the system must be for the benefit of all the courts, regardless of size. Partnering with courts was essential to the success, as I indicated. The system had to work for the trial courts. We wanted to make sure that our design and implementation was done in a

partnership with the trial courts, that balances affordability. We recognize that one size does not fit all and that, especially for the very, very small courts, the components of the system were too much for a small court. So, it had to be a very flexible system, so that it could meet the needs of the varying size courts. We ensured participation was balanced with existing workloads, so that the deployment activity wasn't onerous on the part of the trial court because they still have their day jobs. We were committed to a clear early dialogue with the AOC and court responsibilities and time requirements. The vision to recognize local perspectives when necessary yet keeping in mind that this had to be a statewide system and the Phoenix program, we obtained input directly from subject-matter experts in each of the trial courts. We had various subcommittees made up of financial, HR, payroll, accounting, procurement experts. Lastly, we recognize that customization and changes to the design had a one-time impact on configuration costs, as well as additional cost for maintenance.

>> This is where the system, or the lack of a system, this was supposed to be representative of our attempts to try and have better communications with the State Controller's Office, the Department of Finance, the Governor's Office, and the Legislature. This is our best representation that before Phoenix the squiggly lines there basically represented the need for improvement in communication with those control functions. So, this was the desired result that we strove to make available to those control agencies. It should be noted right now that in meetings with the Department of Finance, they also recognize that right now because of the Phoenix financial side of things, that there is an abundance of information that can be provided to these control agencies, because all the courts, all 58, are on the financial system. I'm not going to belabor this point, but these are the modules for the Phoenix financials. There's 10 of them there, and they help process the workload through the system. This is the Phoenix human resources, this is the payroll portion of it. As Jody indicated, particularly on running payroll, you have to have both sides integrated with each other. Early on in 2006 and 2007, we worked fairly exhaustively, both internally because we had issue with the finance side, and I talked to HR, and that was true at the local level also.

>> What's the difference between green and the white? The graphics? Is one HR and one financial?

>> We just liked different colors. [Laughter]

>> The grand scheme of organization.

>> I'm a farmer, so I am a simpleton. So, the 58 courts were deployed on Phoenix as of July 2009. The last was Los Angeles, that no one ever thought we would be actually able to say that. But that worked very, very well. Our compliments to the Los Angeles technology staff who were integral in making sure that that transition went very, very smoothly. Obviously, Los Angeles was saved for last for the obvious reasons, in that it's the biggest. So, that was a good experience, both for the court as well as the AOC and the Judicial Council. Seven courts have the payroll system as of August 2010. We also did a major upgrade during that time frame in 2009, because just like with Microsoft or any other product, there are upgrades that occur on a regular basis

every four or five years. Each implementation effort was deployed on time, within budget, and just as a little aside, a few years ago Jody and I had a test flight for the Legislature on a budget change proposal that we were trying to get through. When we talked about being on time and within budget, as you might suspect, one of the senators kind of leaned over to each other, and those mics are very, very sensitive, and this might be foretelling, but said, “Gee, if only the executive branch could do stuff like that.” That was good to hear. As Jody had indicated, this was a schedule of the FI deployments, the financial portion of it. As you can see, there was a rollout scheduled—fairly aggressive—and she indicated, we learned as we went through the process.

>> After each quarter we always did a “lessons learned,” so that we tried to improve on any bumps in the road. I think after the second year, there were very, very few bumps in the road. You turned the switch and it’s like, it wasn’t even a blip.

>> The deployment history for payroll started in 2006. It was implemented in 2007. It started with Sacramento and we added Lake, Riverside, Santa Cruz, Siskiyou, and Stanislaus, and I should say in the 2007 deployment, to be honest, that was a little bit rough at certain points in time. But we learned from that experience, and we put it to good use further down the road. Our last payroll deployment was in 2008 and 9, and it was to San Bernardino. We talked about also having HR system stabilization, which leads me to the next slide, and this is probably the most important. When we deployed to San Bernardino, we developed a deployment toolkit. And what that means is we would use the same toolkit, based upon these templates, to do any future deployments of Phoenix on the payroll side of things. We incorporated a lot of information from the lessons learned activities that Jody had talked about from all these prior deployments and we put that information to good use. There is additional functionality that we own and can implement at some point in time. I’m not going to belabor all six of those items, but there’s more functionality that is available at some point and we can actually get some additional funding. The current status is to maintain the system in its current state, except for the change request that I previously had mentioned and Jody talked about, too. We had to suspend the payroll deployments due to budget issues. The payroll budget for Phoenix was cut by 47 percent. We currently have 11 courts that are anxious to get on the system. We are basically in a minimal maintenance mode at this point in time. Some courts have also expressed interest in those new functional components that I previously indicated. We have just a minimal number of system integrators on staff right now; we just have about 5.5 QIs. We are in the process of issuing, or have issued, an RFP because our system integrators’ contract expires at the end of this fiscal year, so we need to have a replacement vendor, even though that support will be minimal. We are open for questions.

>> If I can just add really quickly. The toolkit that Curt mentioned—should the branch receive funding in the future to assist the 11 courts who indicated an interest in deploying the HR system—that toolkit can readily be resurrected, if you will, and used as the structure for easy deployments. It’s still challenging, but I think like with San Bernardino the experience was that the switch was turned on and there were very, very minimal, if any, issues with the system from

day one on, and so the hope with the toolkit is that we could mirror that with future courts coming onto HR.

>> And that is correct. All we would really need, if funding was available, is ramp-up time.

>> Alan Carlson and Justice Hill. Couple questions. From my understanding, the fiscal side of Phoenix keeps track of every single penny that goes in and out of the trial courts, local revenues, whatever. It all goes through there.

>> As long as, yeah, what's input into the system, yeah, it's all tracked.

>> So if the Legislature or the Governor or somebody wants to know every single dime that is being spent by trial courts or collected by trial courts, it all passes through Phoenix. It's there to find out, right?

>> It's entered into the system.

>> I know where you're going with that. Last Friday, Zlatko, and Cory, and Jody were in standing meetings with the Department of Finance, and we brought this issue up that if they wanted to look at what's in Phoenix, it's all there.

>> Because what's come up in our funding committee is why is money going up to Sacramento and back down again, physically, when it's all electronic anyway and it's all reported in Phoenix. There was a concern. The other thing that's come up, and I understand that there's probably been a change in philosophy from when the concept first came up, but now that we're looking at funding—allocation of funding—the question of if some courts have some Phoenix services and others don't, HR being the cleanest example, are those courts that are using the HR system paying for the HR system separately?

>> Correct. They are.

>> That's going to be coming up more. There's a lot of concern and I think part of it frankly is misinformation or not understanding of how that works.

>> [Indiscernible-multiple speakers]

>> We need to do more of that.

>> For some courts that are on the system, yes, they are currently using the old chargeback methodology.

>> Justice Hull.

>> Chief, thank you. Before I ask my question, I should note that many people have told me that Justice Hill and I look a great deal the same. I take that as a huge compliment. [Laughter]

>> I was just wondering, we've got 7 courts using the HR side of the program; 11 want to, which would bring us up to 18. Do the remaining 40 feel that they've got their own systems in place? Or is there any plan to expand beyond the 18?

>> Right now, the courts that are not on the system as a general rule use another vendor called ADP. The experience that we've seen with ADP is that it works okay for smaller courts. Fresno, about two years ago, as I recall, went on to ADP as a larger court, and they've experienced nothing but heartache since that point in time. Otherwise, they can be on the county system, too. Some of the other courts that are interested had been Fresno, who wanted to come onto the system; San Diego, Mike Roddy beats me up about the head and shoulders about every other week wanting to get on because they're paying much more to the county than they would be paying to us.

>> Okay. Thank you.

>> Judge Rosenberg, Judge So, then Justice Miller.

>> Let me see if I understand. This is a system that has been fully vetted, works, obtains the data that's needed, is transparent and available to forks in Sacramento, and did you say we're *cutting* the program?

>> It was cut by 47 percent. As we went into the budget crisis, the future deployments of payroll became the victim of that.

>> I think it was back in 2009, '10. The first or second year of budget reductions, the first area that was cut was the Phoenix area—one of the primary areas that was cut.

>> Judge So.

>> How much would it cost to put it into those 11 courts?

>> We did something for Fresno, remember?

>> It's probably, for a court like Fresno, it's something around \$800,000. The odd part about this is that it's much more cost-effective to do a wave of courts at the same time. That is because you need certain experts from a system integrator or from our staff. You can have one court that requires a particular expert or series of experts for everything, but then when you add additional courts it's not like you have to double the staff. There are increments that add onto that.

>> Once it's in, do the courts then save money?

>> In some instances, yes. I won't say in all instances. There's a general rule: the savings occurred in the medium to the larger courts; the smaller courts, because there's much more functionality than they had previously experienced, they were getting more bang for the buck, so to speak. I should also add, though, that when going on to Phoenix, one of the things that we saw was that many of the courts had not been what's called *Gasby* and gap, compliant, which is

generally accepted accounting principles and the government audits standard board. That was a change for the positive, in terms of the courts.

>> Justice Miller?

>> Kind of a follow-up from Judge So. Is there a way to calculate what the savings is for the courts by factoring in together what the cost would be so that we could figure out how much the savings would be and how much we would have to spend to get those savings? Could there be a way to extrapolate that information? One of the things that we should have corrected a long time ago was that within Phoenix, there are [county?] costs that are captured. The practice had been just too lump-sum what the [county?] costs were, so whether it was financial procurement, HR, we just had a lump sum. We would have to do extrapolations to try and figure out what are those distinctions. Yes, we could do that exercise.

>> To follow up again on what Judge Rosenberg asked and I think what he was trying to get at, in some sense that's what our function is, to try to figure that out. If there's a way that we can benefit the trial courts by spending some money, it might be worth it. I think it's something we should look at.

>> I agree. Judge Ellsworth?

>> Riverside is one of the counties that's on [audio disturbance]. We think that it could be made into a really good program but we found some problems. There are some cost errors and we found that, in some respects, there wasn't enough support and that we had to put out some cost/hire staff to do some of the work because it didn't interface with other the systems like the benefits payments or retirement systems, so there's some little things that—we found there are some glitches and we have all complained about them. I do believe that it can turn into a really great program, and I would really suggest those courts that are on it, we had really survey them or really call them up and say what are the good and bad about this. I think it would be very helpful to the Council because we know those glitches. We know some of the issues.

>> Thank you. Judge Herman.

>> This has sort of been brought to the attention of not the Tech Committee as a whole but to me, and I think this is something we should probably fold into tech and work on to make sure we accomplish shaking out the bugs.

>> Thank you. Mary Beth Todd.

>> In the past, I think the initial vision was that this program would be rolled out to all 50 courts eventually, like the financial system, is that accurate?

>> That's true.

>> Do anticipate in the future you would probably be coming back if funding was restored and make a recommendation that that be the direction the program take?

>> That would be our recommendation.

>> I guess my question would be, Are you at this time putting together the same kind of groups you were putting together when you were doing the Phoenix financials with all the court executive officers? Especially recognizing that for the smaller courts, it's going to need some modification to bring them in earlier into the process, so that we don't kind of have an already established system that we're trying to retrofit back down to where it can roll out statewide.

>> Based on the lessons that we learned from the FI system, should it look like there would be funding in the near future, one of the first things we would do is bring together experts from the small, medium, and large courts before we would want to spend a penny on additional deployments because what you want to do is make sure is that whatever it is that we end up rolling out, it's something that is meaningful to the trial courts.

>> The other thing I know is that surrounding payroll, we've gone through it somewhat with the financial. But, I think people feel a little more impassioned when it comes to their employees' information, is who owns the data. I think that's going to take some debate. I would suggest we get through that process sooner rather than later, so that we are not ready to roll out and we're having those kinds of conversations.

>> Most definitely. If you remember, when we had the four-hour meeting or so several years ago, that was one of I want to say half a dozen to a dozen items where we need to make sure that we have a thorough understanding, branch wide, of a variety of different questions. Yes, that being one of them.

>> Justice Baxter then Alan Carlson.

>> I assume the Department of Finance would like to see all the courts, all the trial courts utilizing the system. Is that a fair statement?

>> Yes. Because of the way it exists right now, we have more information for the 7 courts than we do for the 51, because of the integration that occurs when you're on both the financial side and the payroll side. If those work together in all 58 courts, there's probably a lot we could not answer back to the Department of Finance.

>> That being true, could we expect the Department of Finance to be very supportive of additional funds in our budget to accomplish that task?

>> I think that when the larger issue in terms of once the economy starts to turn around, I think they would be very receptive to that. I should mention also, the BCP that went through several years ago, it received no negative votes from anybody on the Assembly Budget Committee and no negative votes from any of the Senate Budget Committee.

>> They supported full funding for Phoenix. But, for the fiscal crisis. Alan?

>> I wish caution going a little slower on the consistency for the sake of consistency. There are real costs to that sometimes. We are not on an HR system; we use our county system. There are two reasons. One, it's way cheaper right now than the HR system would be through payroll. Two, our county has basically said, if you don't lose our payroll system you have to go find your own benefits. That's a huge cost and burden for us. I suspect that's part of what's going on in Riverside. You can trade your integration: you want to integrate it with the financial system or integrate it with the benefit system? You could have both, but it sounds to me like we don't have both, yet, and our HR system. Some of us would lose benefits if you went to this. So, let's go a little slower on doing that and not just forcing everybody down that road. It's way cheaper right now for me to use our county system than it is—

>> That issue is one of the half-dozen to one dozen questions that were posed by the court executives that does need to be resolved.

>> Any other comments or questions?

>> This is very interesting and very helpful to know, especially knowing that our -- one size doesn't fit all. You have made efforts to ensure that. Also hearing what Alan had indicated, that there are consequences to different courts. Uniformity is not always the right way to go for the benefits of each.

>> Finance is very complicated. But, I think HR payroll, especially for the courts and with a structure that we have in our branch, is tenfold more complex than the [indiscernible] side. I agree with Alan. Should we, in the future, embark on the payroll system, it really has to be done very, very thoughtfully.

>> Thank you. They do Curt, thank you Jody.

>> Thank you, Chief.

>> Item to, the Judicial Branch Budget educational session on branch budget. Again, no action. We welcome Zlatko Theodorovic, Curt Sutherland, and Gisele Corrie from the Office of Judicial Branch Capital Program. Good morning and welcome.

>> Thank you, Chief. This is Curt Soderlund again. Today's session is meant to be educational, but at a high level. We don't want to get down too far into the weeds, but basically what we want to do is provide you with tools in terms of the handouts and give you an overview of the budget process and how it all works, what are some of the pitfalls, how to understand the documents utilized by the Legislature, Department of Finance, and the government office, altogether. Where to look for information on a policy perspective that occurs as we go through a fiscal year. One thing I will mention before turning it over to Zlatko and Gisele is the fact that at any given point in time we are really working on three budgets throughout the year. So, one budget is the past year's budget and all the reconciling issues that go with that. The current year budget, in terms of making forecasts of expenditures and revenue, and then the future budget, in this case, for now,

13, 14 fiscal year and it deals with resources and proposals and things of that nature. As a broad overview, we try to keep this at a high level. I will turn it over to Zlatko.

>> Good morning everyone. It's Zlatko Theodorovic. I will talk about what is truly a complicated issue. We need to work on making it something that's assessable to you at the council, to try to keep the jargon to a minimum. Give you a high-level perspective. What we really need from you is don't be afraid to ask questions. What we would want is for you to ask questions now and ask questions later. We wouldn't want you to walk away saying there's a lot of things I didn't understand. I think we've said before, please ask us questions. If you want to send e-mails or give us a call later, you know where we are. We really want to make the something accessible to you. As Curt said, the binder of information to you is a toolkit in many respects. There's budget terms provided and you can look back on those if you are not quite clear. Again, we want to provide all the public documents that this budget process has before you. Let me start with the annual budget process work for those of you new to this; it's a complicated look in a flowchart. There is a certain level of complexity. It's a cycle; it never really ends. The end overlaps with the beginning of the new process. Your attachment A should show this and jewel -- annual budget process.

>> Is this in our binders?

>> It should be, yes.

>> No.

>> I don't --

>> [Indiscernible-multiple speakers]

>> Electronically, thank you.

>> Is describing the status of where the materials are. The annual budget process is just a one-page sheet, and it starts with what happens in the spring and the summer with all departments in terms of their preparation and plans for the upcoming budget cycle. The departments review their expenditure needs, develop plans for asking for money, because the budget is what's called an incremental budget. All we do is add and subtract. Unfortunately, recently, subtract, on the margins. Talk about zero-based budgeting where there is an evaluation of all your budget and all your expenditures. That's not what the state does. This state just looks on the edge and says, what do we need to plus or minus, assuming that your base, all your old historical expenditures and authorities, still remains. We, of the department, as a branch, look at our needs and we've done that to some extent, looking at the priorities and come forward with budget change proposals that are due to the Department of Finance in September. The BCPs, budget change proposals, are approved by the council for submission to the Department of Finance in September. Between September and when the budget comes out in January, is when the Governor goes to his or her deliberative process. They have meetings with us. That meetings internally. They look at the revenues, they look at expenditures. All for the purpose of

determining what their budget picture looks like. Do they have enough money or not? So, that takes a long time and it's a really pretty involved process of making the revenue projections and also, as I said, deliberating on expenditure requests. Then comes January 10. The Department of Finance submit a number of products to the Legislature. One is the actual Governor's budget. After print eyes out. Several years ago the Department of Finance, in an effort to -- stopped readily printing the budget. This is printed off the web. As you can see, it's a fairly thick document. It includes the Governor's message and it includes a bunch of detailed information about each budget. We will go through that later on. They also submit the actual budget bill, which I will show you later. Those are important documents that the Department of Finance and the Governor proposed in January. Some folks would look at the budget summary and think that is the budget, because it has all the high-level numbers. Some people think that this detail is the budget. When it really gets down to it, is the budget law? If the budget bill that they propose to both houses. You can see, if you don't have it, all our flowcharts, there is a submission of the two bills to the Legislature, the two houses of Legislature. About one month after the budget comes out, the Legislative Analyst's Office will come with their reviews of the different proposals within the budget. We provided to this year's presentation that the LAO had done and we will get into that later on. They get a sense of its real or not. I think you heard reasonably -- recently there's been comments from the 510. They pick apart the issue that make recommendations to the Legislature. Coming in March through the end of June, there is the deliberative process with the Legislature making and having the hearings and making decisions on the budget. Ring that period of time, the Governor will also be updating revenues. It's important that this statutorily required to present an update at the May revision. It is to update for caseload, populations in the prisons, and Health and Human Services programs. Average daily attendance and education programs. He has two preparer and propose a budget that is balanced in light of the new revenues that are projected for the apt coming fiscal year as well is to revise revenues for the current year. Now, in the past there has been what's called the budget going down to channels in each house, that the reconciliation between the house, the recent changes to the voting requirements on the budget, this is what they call a conference committee, which reconcile the differences. It has not occurred. That was a process in which departments could really find out and the public process, where their budget stood. Now that the process is sort of more closed doors, we don't find out about all of the types of things that the legislative committees and the Senate and the assembly are considering. That was one of the problems this last process, absent this conference committee process of airing the differences, we were sort of told after-the-fact what some of the budget deal issues were. I know that led to some of the confusion about what we thought was included in the budget. You come through June and the budget bill is signed. That law is signed and the budget rules for the year. This is what that document comes to look like. It is a very lengthy budget document. It has all of the appropriations. We will go through what hours looks like later on. This is the major document. It really shows you, for the entire budget, what are all the spendings. It's a very detailed -- not something accessible to most. It's something of budget wonk understands. It's what we refer to when we look at the budget material. On top of that, even to get from the Governor's budget to this document, there the whole middle step process. That is even more technical on a very old, old computer system that tracks all of these expenditure changes. It is an arcane process that the

Legislature goes through to develop this budget. For us folks, I refer to this all the time. It was a change from the Governor's budget to the final budget act. This is the transition, translation document. It tells you why the change was made, who made it and it is -- it really understands what the budget means. These are and product numbers. This tells you the walk-through from what the Governor proposed and the Legislature enacted on the Governor signed. It also shows the all the details. Then we get our budget and what do we do? We have to chop show -- we get together and talk about the allocation progress the types of allocations historically, we will talk about later. That's the process. Now we get our budget. To get our budget appropriated from the Legislature, our spending limit for all of our funds -- you have to understand the Judicial Branch Budget is complicated because of these factors. It has many, money funding sources. General Fund being one of them. Our own revenues in our trust fund. This lots of different revenues, different monies that come to the branch for us to spend. We also have many different programs that we spend the money on. We consider these programs, Supreme Court, Courts of Appeal, trial courts, the council, what have you. Those are all interesting and complicated expenditures. Then, the issues of the fact that we have state programs like the Supreme Court and then we have what is termed within the budget world, local assistance. It's a local program. They count the trial court operations as a local program. Then you have construction on top of that. That's why you have Gisele here to enlighten you on the construction program. It is very confiscated. Transfers in, transfers out, multiple funding sources, all the budget law. It is complicated. There are some budgets that have one source, one program, and they are very simple. Ours, by the nature of our operations, has a level of complexity and I can understand why we are having this meeting. We want you to understand all the different parts and how they go together to make the branch budget work.

>> One thing to make clear, in terms of the process and how it really works, and I will be -- the budget building process, under the normal circumstances, occurs in the summer with submissions of budget change proposals to the Department of Finance in the fall. Incent timber is the typical timeframe. Between September and December departments and our agency works with the Department of Finance to figure out which budget change proposals are going to go through and see the light of day. Those that see the light of day and up in the Governor's proposed budget that he releases on January 10. Now, there are several other points in the road where there are augmentations that can be made available. One is the finance letter process said that occurs in February. For the branch as a whole, we did submit finance letter requests to the Department of Finance. Those are sitting with them right now. The same evaluation process will occur between February and as we get closer to the other major activities and that is the May Revise that everyone has heard about. The May Revise is the process for the Legislature and the administration really get down to brass tacks and talk about what's going to be put within the budget. During the May revise process that Zlatko is making reference to, we more or less got shut out of the process last year in terms of the dialogue and the -- going back and forth between staffers and the Legislature of Department and finance. We hope to rectify that this time through. Then, the budget is actually passed by the Legislature and adopted or signed by the Governor. That gives you an overview -- those are the key points to call.

>> In the package information that we put together, there is from the Department of Finance of, their walk-through of the budget process. It's the document immediately after the flow. Then, just in case you ever wanted to spend time in the middle of the night helping yourself go to sleep, we included from the Department of Finance, the glossary of accounting a budget terms. There is a language. When I got to the Department of Finance, 15 years ago, I had to learn finance speak. Jody and Curt, when you sit in a meeting with the Department of Finance, the terms have to be something they understand. If you use a term that you think you understand and it doesn't comport with there is, could be talking about going to different ways on the same issue. It is important that we do use the jargon of the industry in that they can be clearer and what were looking for. This is a 25 page document that goes into great detail about the terms that are used in budgeting and accounting. Again, I'm not going to go through it there it's a resource for you. If we say something without defining it -- and augmentation, it's an increase. Instead of saying budget increase, that's why they say augmentation. It's just the terminology. We wanted to buy do with the resource we could look up the terms if we didn't good -- do a good job of defining them for you.

>> The next item is the Governor's budget summary. This is where the Governor's high-level messages is discussed.

>> Again, there something -- the terminology, again, for the whole finance world, the Governors a -- A pages. The document that Zlatko has on the podium, that's the full budget. A pages is just a summary that is applicable to any particular state agency or, in our case, our branch. To give you an overview, the A pages also include a description of past, current and future budgets and what those expenditures are going to include. They will have discussions about major program changes. Another issue will be allocation of the revenues that are expected. There are program descriptions. Just give us a moment as we get through there. Keep going. All the things that you see there are behind the A pages. It's important on this document, when you have a chance to look at it, a critical part of the description is the fact that in the A pages, it also captures what's called the fund condition statements. Fund condition statements, think of it as your check book and how much money you have in the bank and how much money you are going to expend. They do that on a fund by fund basis. That's a very important part of the budget to take a look at. There are also changes and authorized positions. So, is another document that finance does not publish anymore. It's called the salaries and wages supplement. For the salaries and wages supplement, for every single state age of the, including CSU and UC systems, they identify every single position that is established. What the prior year expenditures were, in terms of dollars, and what's called FTE or personnel years. There are salaries for each position, without exception. As an example, for the AOC, all of us are in the changes -- excuse me, in the salaries and wages supplement. It gives you a voluminous amount of information, in terms of what's included within the A pages. Again, those descriptions are about 5000 feet and it doesn't get down to really the nitty-gritty detail you will find in the large document that Zlatko has pointed to several times.

>> In terms of the A pages, this is where the Governor is going to be identifying his priorities. Within the latter that I think was the second page, as Bob scrolled through, in your package, it is

the letter that transmit the budget to the Legislature. Clearly, what it says, is that K-12 oversees funding increases and Federal health care -- implementation of Federal health care will receive funding. So, the Governor has said these are my priority expenditures, I'm going to restrain expenditures anywhere else in the budget. In fact, am going to those areas to help fund my budget. That's how we with our \$200 million General Fund reduction that they took through the construction program. On that particular document, there is a chart that shows what the Governor proposes -- what the budget shows for the education spending glidepath for them. They expect, from fiscal year to go from \$53.5 billion by 1617 to \$54 billion. That the Governor statement about where he was to spend this revenue increase it over the next fiscal year's.

>> Important, important issue. To understand when we compete for resources, what it is that the Governor identified as a priority for him. Health care, on the next page, expanding health care with the other priority. Those, you can see, of the description. You can read at your pleasure. This is an important, important program for him to implement. We will be competing against education and health when we are making our ask for the branch. What's important is to understand where the money comes from. On page 12, Bob, it shows where the revenues for the state General Fund come from. 62 percent of all General Fund revenues come from the personal income tax. So, when you have variability in capital gains, what are you going to have -- variability in a revenues. That's what's happening during the fiscal crisis and the recession. We have capital gains now. We didn't have the gains that were made in the middle to thousands. So, that single piece really creates a lot of volatility for our ability to be budgeting on a sound basis. Now, we did provide you -- actually you have in your possession, the pie charts. You can put into context what the branch falls within in the budget. In terms of the entire state budget, of \$145 billion, or two by 1 percent, when you account for every fund that's spent within the state budget, when you narrow down on to just the General Fund and this is the comment that the Chief and Judge jar have made, we are 1 percent of the \$97 billion General Fund budget. As he can see, 42 percent going to K-12 education. Health and Human Services getting 30 percent of the budget. Corrections at 9 percent. These are the lion's share of our General Fund expenses. Get, we as a small share of the General Fund have taken a large hit, to help the budget. In the 2011-2012 fiscal year, we provided \$1 billion of solutions between taking of construction funds and are cut. We, as a branch, have contributed quite a bit to helping the state solve its fiscal crisis over the past fiscal year.

>> Thank you, Chief. I was following along with this and I was just curious. On the chart that shows General Fund expenditures by agency, not the pie chart, but it sets forth the 2012, 2013, 2013, 2014 lumped together as Legislature, judicial, and executive. Is there any reason those aren't broken out? By looking at the 19 -- line item, and these, that would suggest that summerlong line that's going up while most 25 percent.

>> Reason why -- that's a place -- within that section of the budget there are a number of other line items with a park -- they park some expenditures. The redevelopment agency funds are part of that number. It's not broken out because for ease they only have the standard, historical sections. We, then, when we make our pie charts, break ourselves art and leave the remaining there. I don't have the detail, in terms of why that particular area went up. For our area, they

added some money back because of the one-time take in 2012–2013 and giving part of it back in 2013–2014. The 280 million.

>> Thank you.

>> Like I said, we are not a large part of the state budget when you really look at the totality of it. That one penny out of all General Fund expenditures. That used to be at 2.2 percent. This goes to our argument that we are becoming user funded. We have \$120 million of ongoing revenues that replaced the General Fund cut out of fee increases. It's really -- we are relying on the backs of the users as opposed to the general tax dollar fund of operations. Next, I want to comment on the section of that A pages that are just for the legislative, judicial, and executive section. It has that chart on the next page, Bob, that everybody hates. It's the mischaracterization of what our budget looks like. This is where the Department of Finance says, look, if you look at trial court expenditures, Abe only gone down by 0.3 percent to support their comment that there's been largely held harmless. When we look at the next documents you see that they really overstate the dollars available to the trial courts. They include dollars that should not be there. They include the facilities money, claiming that something the trial courts have. The trial courts don't spend that money. It's really not fair -- not a fair comparison. I think when the May Revision came out last year, it was an analytical tool for them to help explain why they could take \$540 million from the trial courts. The real answer is, it's not that. The cuts have been larger because we have a really narrow ability to take these cut from the operations budget.

>> The funny point about that, in the executive branch, when they have what facilities program, the construction of the budget for any particular agency or state department will have local assistance. It will have your state operations portion of it. Historically, capital outlay, and we are talking about construction, has been a separate budget Iraq the fact that the Department of Finance included as part of the total was really misguided, if you will. It totally skewed the picture of how the budget is pulled together.

>> [Indiscernable-low volume]

>> Correct. You don't comingle those funds pick you don't get money to buy a brick and pay for some of the work. It just doesn't work that way.

>> Perhaps we got go back to the last -- it's more than just that. This is something that we stressed with -- thank you very much -- the open courts coalition folks. You just had it. There it is. It's a little hard to see, for those looking at the monitors, as I am. Essentially, if you go down below the heading Judicial Branch Expenditures by Program, you will find about the fifth line down Facilities Program, and it's broken into sub numbers. The numbers that are Prensa size or not to be subtracted. It's an odd way for them to report dollars. Essentially what that means, is that takes the first line, \$49 million in something, if you go down the next two lines you find that the 27 and the 22 total the 49. That demystifies that, I hope. Reading from the 49 left to right, you see that the numbers grow notably. That's because our facilities program grew during that period of time. To add facilities into operations, you not only are comparing apples and oranges, but you have created a distortion going forward from 2007–2008 to the current budget years,

simply because our facilities expenditures have grown. Then you add those numbers into our operations dollars, they mask the reduction in operations dollars that have been afforded by the legislative and executive branches to the judicial branch. It gets worse. If you go farther down the page, you see on the left side of major heading, adjustments to trial courts. If you move down about three lines you will see reserves and redirections. Going to the right, you will see the figures \$402 million and next to that, \$200 million. These are, essentially, dollars which the DOM likes to use the term scored. They score these dollars for us as additions. They don't necessarily refract any realities whatsoever. For the fiscal year 12-13, it happens. Both by legislative means and by our own ingenuity, that is to say ingenuity largely sourced in our Fiscal Services Office is than with the assistance of Chief Administrative Officer, move statewide funds, modernization funds, improvement funds, ones that otherwise would have been available for a variety of activities. For example, the metal is and things that these security -- office of security comes out of those common funds. They were redirected to the trial courts, and the budget working group allocated those dollars to the trial courts to offset or backfilled the reductions. Well, these dollars are presented by the Department of Finance as though they have provided some relief. Actually, it's more just the numbers that they choose to place there as their assumptions for statewide funds at a backfilled and also reserves. So, when you get down to those bottom-line totals, it creates the impression that there hasn't been much of a hit to the trial courts. When you dissect those reserves and redirections, when you dissect the facilities program dollars, the picture that emerges is considerably different. This was an exercise we went through with the open courts coalition forks with a sheet from TOF similar to the one before you. Before they met with the DOM. They had an opportunity to question TOF about it. That's where the real transparency of this whole problem comes. Like most of you, I don't spend my evenings looking at spreadsheets like that. As important to understand some of those rudimentary things, because of some 1.2 in the direction of that sheet of paper and use it just a total trial court, you think what's the fuss? Well the fuss is in the details and a few back those numbers out that have been included then you can see the problem we have been facing.

>> I would note that this particular chart was an issue that was discussed at the trial court funding workgroup. We prepared a different chart that tried to capture more appropriately what the change in funding has been to the trial courts. I think there's been a recognition of finance that there is a more accurate and fair representation than what was presented here. There's been progress. This is what was printed in the A pages and only until we get that report printed and it has our chart with there be any sort of public acknowledgment of that in anything that we can hand out and say this is a more fair representation of what happened to the budget. Okay.

>> Next is a walk-through of the judicial branch section of this large document and what it looks like. It's overwhelming in some respects, but absolutely informative. It gives the reader information about the branches budget that is -- it's the verified numbers through the Department of Finance and we understand and take apart the SEC recommendations of tying to these numbers, tying to printed, verified, externally verified numbers. We aren't talking about our own version of the numbers. But this only gets printed once a year. There are updates through the year that are even recognized through the Department of Finance process. What's hard, after the

May Revision, a lot of information included in here will in essence have a revision to it, but it doesn't get presented in this detail. What is hard, someone minute look at the Governor's budget when we are post- May Revision and say, this isn't what is the published numbers so, if we provided, how do we reconcile with what is not published by the Department of Finance. They don't go through and publish this all over again. They have their own internal numbers that we provided to them. That is an important issue and I think we talked about presenting information. There are points in time to the fiscal year where there will be some updates to these numbers. I just wanted to do that, make that point, in terms of the point in time.

>> One brief note. The picture that's up on the screen shows the number is 0 to 50. 0250 is the number that's been assigned to the branch. 0250 is replete through every document processed for the judicial branch. It's similar if it was Department of water tree sources. They all have their own separate and distinct number. If you're looking through the Internet for some of the things published by the Legislature or the Governor's office or Department of Finance, basically, you go to 0250 and that is the brand, if you will, that's been placed upon the branch. Every single budgetary decision is going to tie back to zero to 50.

>> There was a time where the Supreme Court, courts of -- the habeas corpus resource center were a different organization code. The trial courts were a separate one, and I believe about five or six years ago there was an effort to unify them all under this one number, because you used to see the different parts of the branch on different limbs, so to speak. There was zero for 50 and a zero to 50. There was an effort to bring greater transparency. What it did is bring all the information together. I don't know if that has necessarily helped or hurt your that's why this is all presented in one fashion.

>> The budget is supposed to, as it's presented in the Governor's budget, present the same story using a different look. They all match the same number. Those are what they call tie points. It's the way in which we spend our money by our functions. The Supreme Court, the courts of appeal, the Judicial Council, the facility programs, state trial court funding, habeas corpus resource center. All the different ways we spend our money in total. You will see that's what the budget is. Regardless of where it comes from, it's the total expenditures. Then, on the bottom half of the page, all those numbers below add to the same number, the \$3.1 billion. It shows all the different funding sources we have. Therein lies part of the confusion. Some of the departments have one line, General Fund. Or they might have one line for a special fund. You can see they have General Fund expenditures of \$1.155 million.

>> Excuse me. It would be helpful, a number of us are trying to follow this online or the website. What page are we on, as far as the attachments? We were on 54 with the first chart.

>> This is 56.

>> 56, thank you.

>> Now it says, how do we get our money and from what fund source. If the General Fund being the provider of resources. They are in the middle, the trial court trust fund. All the funds in

between are the wave in which we get our money to spend it. This is the standard display for all the departments. All state budgets are shown in this fashion. How you spend it functionally adds up one way. All the funding sources and how it spent, another way. On the next page, it describes the legal citations of the legal authorities that we have and how we spend our money. The next section is the Department of Finance generated section called the major program changes. It says, according to them, what are the major changes in the budget. In this case, they identify the \$200 million to first bullet talks about. The \$200 million transfer from immediate and critical needs. Obviously, a major issue. Next is the Long Beach courthouse, major issue. The recognition of the trial court efficiencies and that inclusion in the Governor's budget. But, it's not a laundry list of all the changes. The bottom portion of the next page, though, is sort of a laundry list of all the changes to the budget that we have worked on with the Department of Finance pluses and minuses. They have, again, some of their own tech localities. It all matches down to what the adjustments are between what happened in the budget -- the budget that passed in June and where the new budget is to be proposed in January.

>> Let's go to the next couple of pages. Back within the budget display can be supplemental information that the Department of Finance wants to convey to the outside. In theory, this is something that the average citizen is able to click on and walk through. I don't know how -- us budget tax understand a, what I don't know why they think this kind of displays helpful. But, is something they ask for us to put forward. It is a breakdown of different expenditures for different areas within the trial court. We, actually, had improved upon this particular special display. It was fact that there's a lot of hidden -- not hidden, but unidentified expenditures within the budget. Just because you see a trial court trust fund line item, there are many programs we all know are funded out of that. The improvement monetization, some may say I know we have the complex litigation fund funded out of that year where is that shown? We tried to provide the supplemental information. Let me remind you that this Council publishes a number of reports that give even greater detail to this. I will say, unfortunately, many of them are just delivered to those Legislature folks that interact with our budget and they don't read it. We provide a very, very important and detailed expenditure report on the improvement modernization fund and when I asked why former colleagues about the -- have you looked at the report? They say they haven't. We are -- there hasn't been a focus on all of the material that we provide. When they ask where is this information, here it is on our website. I show them the link and they are surprised that four years ago they asked us to present this and they had forgotten about it irk new staff comes in and they don't even know that information is there. We are battling a little bit of a lack of knowledge and understanding, externally. We are always working on that and that's why Curt and I and Jody and Corey, when we meet with the Department of Finance and the legislative folks, we say it's all public here, here's the Council minutes for this particular issue. A lot of it is public. A lot of it is known. We are working as best we can to overcome the sense that there isn't a lot of information about the branch expenditures.

>> Last Friday, in one of our standing meetings with the Department of Finance, we were informed that they are going to want to fool around with the Legislature and Department of Finance and getting our input. From all recollections, it looks like it's going to change at this

point in time. We'll keep the Council informed about the changes and what they're going to be on the purposes might be behind them.

>> Is the next page, in terms of the piece of information. It's an expenditure of the trial court's, the superior courts. It says what we spend. It shows all the revenues being expended and the state resources. It was connected to our existing systems. No manipulation or adjustment bias, pure representation of the data by the trial court.

>> On the note of pure representation, we are going to break for lunch until 1. p.m. Thank you.[Captioner on standby. The conference is on lunch break until 1:00 pm, Pacific Time]
[Captioners Transitioning]

>> [Conference on lunch break. Will reconvene at 1:00 pm PST. Captioner on stand by.]

>> Session on our education meeting. We are still on item 2.

>> We will resume. Welcome back. Thank you, Chief.

>> Described what was on that first page of the detail Governors budget information, I said the budget display is based on how we spend it. So, on this next phase that you are looking at, you can see the Supreme Court. So \$43.5 million is the Supreme Court budget. What is important is where did the money come from? \$42.3 million comes from the General Fund. So it is a primarily General Funded program.

>> We see that the next largest fund is the appellate court trust fund. It is informing you that the decision-maker, as a council, where are the resources for the Supreme Court coming from. The Supreme Court trust fund has been increased for the last couple of these. There have been some fee increases. There is an option. When we need money for the Supreme Court, we have to look at the General Fund. So, you as a council, looking at this information, if you were to go back to try to look at this, you would see what are the options, where did the money come from for the Supreme Court? Same for the court of appeal.

>> A \$200 million program, that is the size and scope for the Court of Appeal, they have the same fund sources as a Supreme Court.

>> When you get to the Council budget and you look at that and you see that its totals are \$150 million for the 13/14 fiscal year. But as a comparison, as you are looking at three years of expenditures, you see at 11/12, they were at \$120 million.

>> People try to understand how numbers change. Why they change. And it is our job to explain that. This is a very simple explanation in terms of either judicial Council budget was one 20 million in one year and goes to almost hundred and 50 million the next year and that is because in building the budget in 12/13, the Legislature and Department of Finance thought that it would be better to show a certain amount of expenditure was managed by the Council of AOC rather than part of the court costs, part of the AOC cost.

>> , V2, B3 expenditures. They thought that since it was managed by the AOC, it would be more appropriate of costs reflected by an NDA OC budget. That is our job is to explain this into.

>> But someone would say you have an increase in something. While these are all historical cost that were reflected deviously on the trial court side of the Legislature.

>> Facilities program, again. Before MoveOn, all of a sudden you look at the Council budget and you look at many funding sources. I made a presentation last year about all of the different funds that fund the branch. You can see, you start getting into a number of these funds to get specific dollars to the AOC, the Council budget.

>> We have a large portion -- is from the General Fund. There are some large ones from the improvement fund and modernization fund. Trust fund. So we have -- what we have is we have someone looking at the AOC, the Council budget , and you are spending trial fund money. A lot of our programs at the Council and AOC are supporting trial court efforts there.

>> When someone says well how big is your budget? Parts of that also support the Supreme Court, Court of Appeal, and Habeas Corpus Resource Center. We provide resources and services to those other entities, not just to the trial fund Perko

>> Program 35 is the judicial branch facility program. That is where we see -- and we will talk about this later when we go through some of the detail and funds, but this reflects what expense on facility modifications. We get money from the counties -- to the county facility payments for the maintenance and operations of the facility us. Why is there this growth? There are reasons and rationale for that and at a high level if someone wants to know why that happens begin provide that explanations. It might be worthwhile now just to have you understand why this number has changed.

>> So, for instance, if you are looking at the state court facilities construction fund, the detail for the construction fund itself in the facilities program in fiscal year 11–12, our budget was reduced by \$10 million for that medication program as well as a critical needs account.

>> That money was restored and 12–13 so that is one of the explanations of why the growth occurred in those two funds within the program.

>> So next we have, the largest single expenditure in the branch is the state trial court funding. Someone might think well that is what we spend for the trial courts. But this detail shows the breakdown of where the money goes.

>> First, we have all of the different running sources. The \$809 million in General Fund, the \$32 million from the improvement and modernization fund. There's a small amount of federal trust fund, we get a little bit pass-through there. Obviously, the single largest funding source for the trial court, state trial court funding program, is \$1.5 billion of trial court trust fund.

>> There other amounts that we get from state agencies for the A.B. 1050 a program. You can see that \$50 million in the immediate and critical needs account was a share that the Governor

proposed on an ongoing basis fund some portion of the trial court operations. This is where they made a permanent movement of money; they are proposing a permanent movement of money from our construction program to help fund the trial court operations.

>> But, we now have our first sub breakdown of a program. So you see 45, now you want to look at these are the numbers. 4510, further downs 4515, 4525 Emma what we have done is we have further broken down state trial court funding line items to some important breakouts.

>> The one that is really key is 4510 is where we get money -- the Council allocates money out of that appropriation for your trial court operations. It is what the trial courts rely on, that area is the primary source of funds or co-and as you can see, it is mostly General Fund, the trial court trust fund, the construction fund and the improvement and modernization fund.

>> Not many funding sources G purely for trial court operations. We historically had a trial court security, but you know that that is not longer continuing as of the 11–12 fiscal year.

>> Then we have only 525. Compensation. Funds not available to draw court but included in this line call the trial -- state trial court funding. There are only so many dollars at the trial courts can use to offset cuts. The Department of financing included in the totals compensation for Superior Court judges.

>> What was the rationale for that? Because we do not see those many operations at all. Not one penny.

>> They have not really—

>> I think their perspective budget is still a cost for trial court. Even though you do not see it.

>> It should be at least a separate item. It seems a little misleading and just wrong.

>> That is why it is separately identified. Support for operations of trial court, it is separate. Operations money is 4510. That is what they should have been looking at for the historical changes. That would've been the more analytically honest look at the numbers. But we have worked and explain to them that you cannot include the \$300 million of compensation. You cannot include the next line item, which is assigned judges. You have no control over that other than the services that you need or those are not dollars that are available to.

>> That's why, Judge, I think that cost that were developed -- all of the money for the trial courts by operation, and then you have facilities, judges salaries, assigned judges, those components that are never transitioned from the state level to the local level.

>> But we are trying to reeducate people on that propaganda. This is already been put out to the public. So the Department of Finance would follow acceptable and Accounting practices Emma then we would not come to these misperceptions about a budget with the legislator. That is a real problem.

>> Here is another important issue is the 4545 court interpreters. So our current budget authority, what we can span in any given year, is \$92.8 million. Yet, when you look at the left-hand column, we only spent \$90.1 million Perko that is an issue. There is an under expenditure of court interpreter funds. We have talked about their issue. There is a lot going on about that program. There you can see exactly what we spent against what we have been budgeted for for our interpreters. And there has been a gap.

>> Back with the judges, why is one of them part of them came out of the trust fund? The middle column.

>> I do not know the answer. I can ask even if he knows the answer as to why there -- some share was spent out of the trust fund.

>>[laughter]

>> That would be \$171 million. [laughter]

>> We can get back to you.[Indiscernible - multiple speakers]

>> I'm sorry, I cannot hear you.

>> 1213. The reason -- this year the General Fund I think had \$260 million. It could not even cover all of judges compensation. I think we had to kick in to cover all of the judges' compensation this year. They reduced our General Fund support so we had to use our own trial court trust revenues to cover that.

>> Excuse me. The question that comes to my mind and working up the trial court funding workgroup, and the concept behind the Eisenberg law was that was their responsibility. Is that even legal to look to us for a portion of that? I'm not asking you, it is rhetorical for the Council -- 's [laughter]

>> I'm not sure given what little I know about the 1997 act, it was supposed to be their responsibility.

>> We have heard -- the Department of Finance does not look at just the General Fund. Look at state funding. And to the extent that they provided funds through the redirection's or, let us say, the increases, that is state funding that they provided. They do not just focus on the General Fund. Where's we would. We would say general tax dollars going to the branch. When they looked state funding, they look at all the resources even if that means that it is fees or redirection's.

>> And then we have 4555 grants. The larger share of that comes from reimbursements from the state Department of Child support services, which is on the top of the next page, \$59 million for six to million dollar reimbursement. That is money that is a General Fund to another department and since they do not want to The General Fund twice they call it a reimbursement. So it is just a mechanism on were the funds come from.

>> And then next is the budget for the Habeas Corpus Resource Center. They also had cuts over the last several years. This area of the budget shows the programs, as I have described, and all of the funding sources that come into these funding areas.

>> So we have limited ability in terms of -- we cannot just create a new fund on our own to find an area. We have to live within the parameters that are provided to us. So trial court operation has its for funding sources. The General Fund, draw court trust fund, improvement and modernization fund, and, now, \$50 million in construction. That is what we are fighting. They are saying do not do that \$50 million terms -- transport. Support them.

>> The next session is a breakdown of the same expenditures that we just described. But through the people that you higher and the operating expenses that you have for that entity, the benefits that you spend, that sort of thing. These numbers all match what was previously provided and shown above based on the fund source. Now, it is how much to spend on people? Equipment? Benefits? And if there's anything unique and special that you would like to call out.

>> For example, within the Supreme Court, the court appointed counsel line item is specifically identified because it is not there to support the staff of the Supreme Court E it is not there to sport their normal operating expenses and equipments. When they take a cut, while the budget may look large, 43 1/2 million dollars, 15 million about dollars is something that we have no control over.

>> So this Council has acted in the past when they distributed cuts, is to take that line out them out of the budget and reduce the Supreme Court budgets and review of the entire branch and say what is really your operational number and they have taken that line item and tried to fairly compare the difference operation of the supreme court of appeal and draw court.

>> We are not going to go through all of these. But this half page and the top of the next page are all of the breakdowns of the states level operation for the Supreme Court, Court of Appeal, counsel, facility program, habeas corpus resource Center as a state-funded, state operation. This is a required section of the budget that we have to show Perko and so we are breaking out the data. You can then find out how much of the Council budget is spent on staff versus operating expenses and equipment. They all add up the totals.

>> The next section is now how do we as a branch get our money from a legal view? What are the legal appropriations? So we -- when we talk about the budget act, you can see under the General Fund, there is a \$332 million General Fund budget act appropriation. It would be specifically identified in the budget act. You can trace that. If there any adjustments to any of those numbers, there is some legal authority to make that adjustment. We cannot just ask for money. There has to be some authority for us to do that.

>> It is very clean when you look at the 1314 because they propose a number. But when you start to actually implement that as 14 says, you are creating a budget your number and when you get the budget, you are managing and administrating in the current year, and when you are finally done, you see all the variety of changes that were done to that General Fund appropriation

for the state operations. You can see there are many more entries under the 11–12 column. All this has to go through the Department of financing and if necessary the Legislature depending on what is required. But no adjustments can be made without their approval.

>> As we go through this, each item, each fund, has a legal basis from which we can spend Perko so you see many of them to say budget act appropriation, adjustment per section 3.60 assiduity section of the budget act related to retirement costs. There are adjustments that are main to retirement, that are made to state agency budgets.

>> These pages here are all related to what we call the state operations. The state level function of the judicial branch. Many, many funds. Court interpreter fun, family law trust fund, we have gone to those in detail in terms of the revenue sources and the expenditures. These are all laid out so you can see exactly where we get our authority to spend money. It is not just our creation, it is a work with the Department of Finance and Legislature to establish that spending authority.

>> Then you get to LJ 13, it finally gets to the local assistance. Now we are talking about what you're spending at the local level at that trial court level. All of the appropriations that are included in the budget. We now have the legal authority to spend for the trial courts. So there are differing appropriations in the budget. When we moved to -- we will have an issue tomorrow on benefit funding. When the state stock doing South for us and we asked them to now start finding out benefit severally, they decided that that they wanted transparency, they wanted to separately appropriate our benefits line. You can see on the top right corner there's a \$71.5 million number. That is the amount that the state General Fund is providing for our benefit, retirement and health benefit cost increases.

>> Again, that is the transparency from their perspective. These are all the funds that go to support the local assistance, the trial court costs as shown here.

>> Any questions? I have gone on right after lunch and I want to make sure everybody is -- if there are any questions as far. [laughter]

>> Okay. We have talked about the legal basis of the expenditures. Now we have a whole section of the budget which is very important from our perspective Amman I think you will be from your perspective as well. They are called the fund condition statements. Curt talked about these. Your balance sheet, your checkbook account.

>> Here, this almost full page of this particular page of the state trial court improvement and modernization fund. It is a newly created fund that the Legislature did when they merged the improvement fund and the modernization fund Perko they set for greater transparency we are not pulling money often different funds. It is all seen in one fund, transparently, clearly and so we can track it.

>> What this shows is, what you're beginning checking account amount is at the beginning of each year, all of the different revenues that you get in it. Obviously under revenues. Where we get money and, in this case, the improvement fund has been Ashlock is now permanently

recommended by the budget working group and confirmed by the Council, we are moving \$20 million on an annual basis out of the improvement fund to support trial court operations.

>> One of the concept of backfill and cut. In a few years, we will have a problem with the improvement and modernization fund because the fund balance, as you see, will become very small. In fact, just from this display, it shows about 4/5 of the way down, that we had a \$40 million fund balance at the end of the 11–12 fiscal year, reducing down at 12–13. Do not be alarmed as to why that is there because we have an amount, a credit limit, and expenditure limit, but we have never spent all that.

>> So while we fully show that credit limit expanded, we do not actually use it. We make sure that we are monitoring our revenues and monitoring expenditures so that we never get to the point where we actually overspent that particular fund. But what it does show is that we will have a problem at some point in the next two or three years on that particular fund. We are going to have to make some important choices as a counsel because there are very important programs funded out of the IMS. The state wide area network is funded out of that. How are we going to manage? There are education programs, some of my staff are funded out of this fund.

>> At some point we will have a discussion of the subgroup of the budget working group to really look at that long-term health of that particular fund. That is an important counsel issue for you guys you'll probably have to decide that some programs will have to cease. It is just the nature of the revenues and expenditures. But we want to make sure that we have done our due diligence to provide you the best information so that you can make the decisions.

>> If I can ask a question. One of the biggest expenditures that was moved into that fund was the support of the Phoenix program because that was previously a drawdown from each of the trial court allocation. One of the observations that we had in previous conversations, as you said, it is a very fee driven fund. Because of the workload deduction so we have all sustained, it is not necessarily -- it will grow as workload grows. Is that a fair assessment? Maybe not sufficient, may be sufficient, we just do not know at this point. But that is clearly a consideration that we are going to have to contemplate going forward. If it is something that we fully move into that account or maybe offset --

>> Right. The budget working group recommended to the Council that it be done one time so that we can evaluate its ability to manage that. If that is a part expenditure, it means that something lower on the ledger will have to be reduced. But that is what we will work through with the budget working group and come to the Council of options as to how to manage this particular fund, which many programs, complex addition management, --

>> Those are going to be some very hard conversations because my recollection, somewhere between 55 and 60 percent of the expenditures for him IMF are for technology purposes and some of those services that are currently provided to the trial courts are absolutely critical. [indiscernible] is the number one tech expenditure trial court perspective. Again, those are going to be some discussions that we will have to have.

>> Anymore questions before I move on?

>> This is why these documents, they are living and important documents and provide information. As we go forward and we present information to the Bridget working group, we use these to show the published, approved document numbers. We always time to do what it is that is presented.

>> One less,. About -- this is a scenario that receives an awful lot of scrutiny by the legislative analyst office as well finance. They are constantly looking at the status of the fund conditions and looking at the revenues and expenditures. I think a little bit later on Gisele will be talking about that.

>> Let us turn to page 17 which is the fund condition of the trial court trust fund. It is a fairly lengthy one. It has many revenues coming into it and it also has transfers. If you see in the middle of the page under transfers and adjustments, this is where we get to see all those one-time fixes that were we have taken money from the modernization fund, we have taken money from the construction fund, we have taken them from the immediate and critical needs funds to current -- to continue to support. We would not have the level of revenues and the trial court trust fund if it were not for these kind of transfers because the General Fund amount has been reduced over the past several years.

>> This is where everything is shown, all the money in an all the money out.

>> Again, in fiscal services office we are working and have to manage the cash in this fund so that we can make the distributions out of this fund to the trial court's Perko we have to make sure that we are getting the revenues timely. We are working with the trial courts for their cash needs. We use the cash balance and this trial court trust fund to provide cash advances to trial courts that need them. Again, it is a critical piece of information that is published once a year and it provides you all of the known revenues and expenditures out of the font.

>> We manage that authority. We have talk to you -- to the council about the limit that we have and what we assume the expenditures of four and what point the budget working group had identified almost \$60 million of revenues that we could help offset trial court cut with. I think I discuss with you the fact that there's a certain amount of credit limit that we have that we can use and then above that we have to go to the Department of Finance. That is what we are managing. We never want to fully utilize that right out of the gate, all of that authority because there might be something unforeseen that we want you counsel to have authority to spend the money on.

>> We will be ringing something to tomorrow regarding benefits where we are going to want to use some of that authority to help fill a hole is the Department of Finance did not fully fund our benefit costs. You do not want to spend you money right out of the gate, you want to leave a little bit of room.

>> Other questions?

>> [indiscernible]

>> We are tracking the revenues and expenditures when we close the books at the end of the fiscal year, we know based on our accounting, what is left in the trial court trust fund.

>> And is this [indiscernible]

>> Because the lack of General Fund supporting we've had to use that trust fund and spend down. But, revenues also fluctuate E when there's been a bit of a revenue drop and Gisele will see that also on the construction site, the trial court trust fund share similar funds into the fund. So partly we are spending it and partly there been a cards and the trial court trust fund because there is not been as much General Fund coming in.

>> I think this might be a good time for Gisele the talk about the construction program because that in another itself is an important issue that I want you to understand as to the revenues and expenditures and ins and outs and takings and transfers.

>> Thank you. I would like to do share some of the information with you on that facility fund and the challenges that facility program phases as we try to juggle the various redirections. This year we have had to go back to the Court Facilities Working Group on several different occasions to determine how the various redirections what impact the program.

>> First, we went back to the Court Facilities Working Group to determine how the \$50 million ongoing redirection that was identified in the fiscal year 12-13 budget, how that would impact our program. As a result of that we direction, we determine that through the review and analysis of the fund condition, it would be reduced the program by seven projects.

>> Then we had to go back again and look at how Long Beach would impact the program. Long Beach, we were notified in November that funding the Long Beach program would not be a General Fund expense as originally envisioned that would be directed to the 1407 immediate critical needs account. So that was \$34 million in fiscal year hurting-14 Perko but that explain gross to approximately \$61 million on average annually.

>> That was another seven projects that we had to -- and other four projects at we had to look at reducing, Sacramento being one of the largest projects.

>> Then we also -- when the Governor's budget came out again, we were back at a point where we had to rethink what we would be submitting for our 13-14 fiscal year budget package for the construction program because we were informed that \$200 million was going to be swept from the immediate and critical needs account.

>> Again, we had to go back to the court facilities working group and that is an action that you will be seeing tomorrow at the council meeting to consider. The impact of that to the program, which may be a delay in projects.

>> With all of these re-directions, we have to -- whenever we prepare a budget package, you have to look at the funding of the program and prepare a fund condition statement. Not only on the three-year snapshot that you see in the Governor's budget, but we have to prepare a fund

condition statement that will project throughout the life of the debt service payments that once we saw this revenue bonds to finance the construction phase. Which will be a 25 year snapshot.

>> With our budget request, we have to send the fund condition that shows this long-term snapshot and project expenditures, which at the time were uncertain of what our actual expenditures are going to be because we are making estimates on what the interest rate of bonds will be so that.

>> We are projecting what our bond rate will be. We are projecting what those cost will be for the construction projects and making assumptions there. We are projecting revenues Perko so revenues are changing over time, which are saying this year. Revenues actually appear to be going down again, which is unfortunate because that changes the long-term actor of the program as well.

>> We are making many assumptions in our fund condition that it is a moving target. So -- although it may appear that we have some significant balances in our fund conditions, those monies are being planned for construction of new programs. Or being planned for facility modification for court facilities in a long-term picture.

>> So the Legislature, the Department of Finance and those that look at the Governor's three-year window, they do not really see or understand the full impact of the decisions that may be made because those monies are committed to the program in a long-term view.

>> So we continue to share this information with the legislative analyst office, with the Department of Finance, with the joint legislative budget committee, with the Legislature, with anyone that will listen because we do have to educate. We have to make certain that all of the external parties and our internal parties, the internal branch, understand the impact to the funds and redirection of funds.

>> There is a continued impact. We are often changing and working with these moving targets. If you have questions on the fund condition, I would be glad to discuss and -- discuss any other questions you might have. I just want you to know that there are many parts and moving pieces that impact what you see and what you may not see as part of this view.

>> How do we know that the funds are going down? You mentioned that we know the funds are going down again and how is it determined?

>> We receive, our finance division and our fiscal services office, they prepare -- they record or identify all of the collection on a monthly basis. So we know we received collection through years in arrears. Two months in arrears. So two months in arrears.

>> So we have reports as of January which show collections as of November that indicate we are missing our target for this fiscal year. So we are looking at -- and we identify the collections by the category of collection, some could be parking fees, it could be criminal penalties. We are looking at the detail.

>> Were about 4 percent in some areas, 5 percent in some, maybe his only 1 percent. And also parking is still going up which is contrary to what I have been hearing. We just continue to look at that and monitor that and will be adjusting.

>> Last year, the immediate critical needs account is a young fund. The collections began in 2008 and Mac excuse me 2009. So we only have one real complete year, 2010, that is a good snapshot. 2011, there was amnesty. So that is not a good year for us to look at because the last six months, it is distorted.

>> Then we were making projection/shareable we collect this year and, forcefully, we continue to go down and we did not expect that. We will be looking at that continually.

>> Does it feel like I lightbulb is going on are not in this education of Department of Finance? My concern is -- I am sure that many share this, comments that Judge O'Malley gave that there is a lot of information. I am not sure how much of this is crisis management on the part of the OS so they will suck us dry regardless of how much of it is the effort to overhaul us for the long run. So that we look at things differently, or we budget things differently. It is almost as if I'm not really sure, I do not know if you have a sense of what it is, we have a big statewide deficit and we need to fill that was the money. You all have money so we are going to take that Turco or whether it is some other over player. Maybe it is a little bit about. That I know everybody is working really hard to educate them, including the chief herself, and I am wondering what is happening. Is a light going on? Is anyone understand this? Or sick going to continue to be depressed for us regardless? I know it is a very different difficult question to answer but I'm just trying to gauge a sense.

>> I will give my two cents, Chief, if that is okay. The standing meetings that we talked about that Jody, Cory, and I attend, it is very clear over the last, in particular nine months, that finances gotten more Mormon education. I will say that even though we don't have a solution it, the cash flow is huge. Prior to the discussion that we have us but it. They were very concerned about that. I think we have to press home those stories and just the fact that there seems to be some waffling. I say with a big grain of salt from the Department of Finance on concerns about cash flow and our ability to meet payrolls and the legislative analyst office has identified that is an issue that will be talking about very briefly shortly. There is, in my sense, some movement there. I think what we are trying to demonstrate here is that for all of our various funds, and you are getting to the tip of the iceberg, it is what is going on underneath the water where each of these funds, we have to look at the expenditure pattern -- areas that are down in terms of revenue.

>> Each of those funds were you have financial staff year that devote a lot of time to protect ourselves and also to be able to second-guess the legislative analyst office or Department of Finance if we think there's something wrong with their projections or their estimates. Is why said, the Dean and ourselves, we pay an awful lot attention to these issue. In terms of cash flow issue, we are turning to see little bits of that, we have made some cash advances to courts. There was a Northern California court about a week ago that and not have enough revenue to pay their

bills on a particular day so we had to hold up on having is paid their bills out of Phoenix until the next day when the revenue was going to be sufficient for the checks to clear the bank.

>> Judge Herman.

>> Is a follow up on that, then 14, does I think most of us at the trial court level we are looking at in need of about 12 percent just to carry the flow. Mechanically, given that we are nearly on one fiscal year into the 1 percent local fund balance, where mechanically, we shifted the position would we come up with funding to accommodate a fund balance that will allow us to carry that flow? That is my question.

>> That is a cash issue here that still exists and that we can analytically come to an agreement with Department of Finance that 12.01 percent was something that finance worked on the but that is a figure that we would need just to be able to keep the lights on. That is nothing for infrastructure or any of the other major technology projects as an example.

>> Part of our discussion with finance is to at least get them to almost from an academic perspective, agreed to the 12 points or 1 percent. And then we have to continue to work on the cash issues.

>> Judge dart.

>> To go back to what Judge Ellsworth referenced concerning the construction revenue streams that Gisele has been discussing, it is kind of hard to conceptualize but basically when or to know seven was enacted, the Legislature specified increases in penalty assessments that would be devoted to court construction per \$10 of fine. Those of us who ever done traffic calendar and misdemeanor calendars, you have to always get you find some penalty assessments just right because the breakout is so complicated. That happened on the occasion of 1407. There is also a filing fee component. So all of a sudden, like that, there is a revenue stream. In 1407, as Gisele says, we are still trying to assess what a normal, typical revenue stream will be because amnesty resulted in an artificial spike. Old finds finally collected. But it is something akin to \$300 million a year. That is before permanent redirections occurred. We have now had to a couple of years ago, \$40 million was scored as being permanently redirected to trial court operations. The proposed budget from the Governor this year has Long Beach permanently going into the [inaudible] column. Meeting that the debt service, and I'll use that term loosely because it is structured in a way that has different defining terms, that is basically what it is, which is 30 \$30 million for this year because it is a far -- partial fiscal year when the building actually begins to run and the dollars are owed to all the later years of when there's a gradual increase and he gets up to about \$60 million. Those are dollars problem for and they are gone from that revenue stream. So you have \$300 million, assuming it is a reliable number, now it is \$200 million and we are building projects. As each project is completed, a chunk of that revenue stream is yanked to pay back the bonds that were floated to build the building. So with each new building, more and more and more of the revenue stream is committed. So Gisele's task which is monumentally complement -- obligated is to keep an I and revenue trends to the extent that these officers are

pulled off the streets that they are not enforcing traffic for budget reasons, they just do not get tagged for. So the fees go down, the assessments on the funds.

>> To the extent the population grows or peace officers are put back on the street, perhaps a grows. So there factor on the revenue side pipe --. Theoretically you get to the point where your entire revenue stream has been encumbered or committed as you build so many courthouses. You remember one 1407 first one into place, it was several billions of dollars of court construction that would service that. Any time funds are pulled away, not just temporarily one year but forever or scored as such, that has a huge impact on how these buildings can ultimately be built.

>> The impact of Long Beach, for example, at max that \$60 million a year is much more harmful to the overall health of the construction program than the \$200 million that is being proposed for one-time redirection the share. The effect of that, even in accumulation with a year or two running, would be the same thing, is to retard your program of replacing desperately needed core facilities. But to score dollars as permanently redirected is to take a huge chunk of the ability to buy buildings away, for good. Those are the reasons why we are especially interested in the previous steps that were taken and the proposed step that is on the table relative to permanent re-directions.

>> So all along, before we can periodically file the giant Bible full of materials that we signed so that a bond issue can be floated, we have to demonstrate that revenue stream is solid and can cover that new increment of wanted indebtedness that will take 25 years to payout, or more.

>> This is Judge O'Malley. Just as an aside, court order debt task force has realize that the verdant on the courts to receive all these funds from these traffic tickets and to divide up into all of the proper buckets where the money goes is extremely burdensome on the courts. Very labor-intensive. These are funds that all the different buckets have been designated to us by Legislature. We did not come up with these buckets Perko we did not decide all these different funds that have nothing to do with running a red light as to where the monies need to go as to all these assessments. That will be added on to somebody who runs a red light.

>> And that the amount of labor and the time for each of our court staff to try and designate into the right area where these funds go is a tremendous burden upon the court. And really something that we would love to share with others. Hope that others who of places burdens on us could share in that burden. But that is another aspect of it. The whole site issue of how we give all these other entities the money that they so desperately need and it is on the court, the onus is on the court.

>> I think I know the answer to this question but I will ask it anyway. Maybe Mary or Debbie would be able to help or comforting with your experience. Is there any way for the Legislature that creates a fund, let us say 1407, to preclude a later Legislature from rating that fund for an ulterior purpose?

>> What they do is it is really a sleight-of-hand in that they give you that much less.

>> Or they backfill it from another source is the issue. It is not a direct reduction as an example to the General Fund, they back door it.

>> On page LJ 19 under the immediate critical needs account, towards the bottom it shows expenditures and it shows a line called local assistance and there's \$240 million in the 1213 column and then \$15 million in 13-14. They change the law and said that the money that is being deposited in the immediate and critical needs account can be used to support trial court operations. So while it was created for construction, they change the law saying that it is now available for expenditure on trial court --[Indiscernible - multiple speakers]

>> Statutorily change the law --

>> What if the 1407 legislation specific -- specifically said that this list -- legislation and the funds are dedicated to courthouse construction? And unless the judicial branch agrees otherwise, it shall remain as courthouse construction. With that do any good?

>> I do not know the answer that.

>> I think there is a potential that it could result in further reduction to the courts -- [Indiscernible - multiple speakers]

>>.Court operations you make a reduction and you backfill. The money is still saying in the branch but it is a General Fund that goes away.

>> They see the nature of many of these revenues are already flowing to the General Fund so there increases or adjustments, they see them as also able to go to the General Fund. They go to this construction fund, this penalty assessment also funds General Fund programs. So I think that they are looking at the law and making it more budgetary work for them.

>> Judge Kaufman. Curtain how be on this. When we got 1407 past, it was not a bond issue so we got legislation to fund it this way. The problem I have is that a trial judge, I say to somebody, by the way that ICNA fee would go to courthouse construction. No -- now I am saying it is going to go to fund operations. I think it is a bait and switch and it is not right. I'm finding the courts on your back, basically, and I do not think that is fair.

>> That is the reason -- if it was tied to a bond issue, if we had gotten to evoke, they could not do it. Is that correct?

>> That is not quite have the structure would work. You have to actually authorize the revenue and build up the revenue and as you project moved out, then that's when you would bond your project. So that is essentially why we had to get it in that order. We got the authorization for \$5 billion. One other thing to keep in mind that is important on the 1407 is initially I think \$5 billion was based on about \$280 million in revenue. For a couple of years the revenue got up above \$350 million, which gave us an opportunity to redirect some of those dollars to court operations as we were going along. So what do I benefit along the way? We had some extra revenue to help keep courts or plan -- open. So now will we get to the point where there during the permanent re-

directions of \$50 million this year and the proposed \$50 million for Long Beach in the upcoming year that creates, I think, the problem. The short answer, just as Baxter, is they can change the law anytime they want and where the revenue goes. So one Legislature can say this is where we want the revenue to go and another Legislature can change that just as they did changing a lot this year to redirect it.

>> The part that is difficult and was a bit questionable was the fact that the revenue was raised on a majority vote. Four 1407. That is because it was a nexus between fees and fines and court houses and court construction. When you redirect that into the General Fund, that starts looking a lot like a tax on two thirds. So the first year, they just did a swap and I think there were some really questionable -- it was a challenge, but the way can effectively get around that is by directing the fees and fines to court operations, which they did. There is a clear nexus to that. And then backing out the General Fund for court operations. So you have a nexus, I think that probably make sick Constitutional in that sense if you were looking at the two thirds, but you are in that circumstance where you have been raising fees and fines.

>> But also, Curt, isn't it correct to say that the effort to pass the 1407 included in a coalition of interest who agreed to the fee increases because it was going to a specific persons. We never intended to be finding a General Fund third branch operation.

>> I think that is exactly right, chief. The court construction be so that was really not the hard part. The revenue of 1407 was hard part. I think there was strong agreement with all of the stakeholders on increasing that for construction. I do not think we would have ever seen it for any other purpose as you point out if that is how it would've been poured out before. Again, it probably would have been -- required a different vote, a two thirds vote.

>> And you have to be aware that the -- this is not lost on the Legislature now as we speak. What has occurred? Do remember I was talking about how you exploit that revenue stream as you build is building? More money gets encumbered as it were to pay the next mortgage in line, so to speak. It just happens that our financial crisis occurred at the time early in the maturity of the program rather than late in the maturity of the program will we would've had any number of different bond issues that we would be applying dollars to repay.

>> Though there was is, I hate to say, to see stream of revenue. Which could be redirected by the enactment of the budget trailer bill, that changes the law, that says, henceforth, X number of dollars that goes into this fund will not be repurposed for court operations. Curt and Jody and I have had several discussions about this. We are persuaded that the steps that were taken to redirect those dollars were grounded in the motivation that we have to find dollars. There was nothing more complicated than that. And there was a revenue stream, much of which was unencumbered, if you will, and they saw an opportunity to use it to address their budget woes.

>> Now, it is aggravated, it has accumulated and it truly does in danger, not just of the near term, but more portly, long-term projects. All the sudden projects are being curtailed or proposing to be curtailed and that is incurring in Legislatures that are sensitive places.

>> Now there is a pull back in terms of what the applications are. Were to position where we can, I think, change that.

>> Judge Kaufman?

>> Taking just as Baxter's question one step further. This was based on a certain amount of money. We get \$5 million and we thought we would raise \$200 million a year. They would guarantee that it is at least \$180 million a year. The other side of the equation is if we raise more than that, how do we get to keep it. Odyssey that may be a problem. How do we get a certain revenue stream that we can count on to build courthouses?

>> You do not. [laughter]

>> That is the long and short of it. The next Legislature can do something different. Again, just a reminder, that was helpful to us when the revenue was coming in. We were very conservative and putting together other -- our revenue estimates because we were building on the target. We have 41 projects that we want to define that point and we wanted to make sure that we had the revenue so we were very conservative.

>> As it came in higher, we had the opportunity, after having discussions with several of our stakeholders, to redirect those dollars. So it was helpful. Certainly for court operations and, at the same, we were able to keep our commitment to 41 projects. It is just when it started getting deeper than that and you put on top of that the loans recall. \$350 million out of 1732 and \$90 million out of SP 1427 and he gets to what Gisele laid out as a problem, your fund balance to support for the next 30 years or projects.

>> The basic concept of law is a Legislature cannot commit subsequent legislators to anything relative to statues. The only way you are going to establish permanent funding without the Legislature being able to change it would be by initiative, where the language of the initiative specifically says it cannot be changed absent a vote of the electorate, or to amend the Constitution.

>> I think part of our responsibility then the budget working group as well as the judicial Council is we have to be responsive in terms of assessing the dollars to keep our doors open. Our long-term view has to also be that we cannot keep shifting and doing one-time monies in responsiveness either because what it does it -- is a confused the Department of Finance as well as a trial courts of what the two amounts that need to be used and funded in certain ways. I understand the complexity of it but as we make each one of these positions as we go forward listening to trial court budget and their recommendations, I think there will be times that we are pressed to do what is popular or to find something or to help somebody out that seems that there in crisis. But we have to have a long view of this as well even in the provenance that we have exercise Perko and that is my concern is that we do see emergencies all around this. The walls are falling down, quite literally. Are were not able to build. But I think we have to have a responsibility to the health of the branch in the long run, understanding that these are not is a delicate times we are in now. We have to look at the future. And I think it is going to be very

difficult for us to turn some things away and to stop some programs or not allow for activities. But it has to be in the long view that we are taking a look at.

>> Thank you.

>> Since we are getting close to our firewall here, let me just draw your attention really quickly to a couple of other documents. One is a review of criminal justice proposals?

>> Can you say what page you are on?

>> If you are following along at your desk it is page 125.

>> It is attachment H, and page 125. So this is a document that that 1016 produces that goes beyond just set -- when you get a chance to review this particular document there are quite a few portions of it that are devoted to the Department of Corrections. They do talk about that judiciary and the need to reduce expenditures based on the Governors proposed fund balance of the 1 percent.

>> Just a different perspective, Judge Starr has talked about how the General Fund accounting for 60 percent of support for the branch and now it is down to 20 percent. A different way to look at that since 892 now, our General Fund has a reduction of 64 percent. That is a very substantial production for the branch.

>> The document also talks about the impact of efficiencies. There are going to be a total of at least 17 efficiencies eventually included in next year's budget. To make operations for better fee increases and other ways of ongoing reductions. There is a reference that the 1016 has put into that document that specifically calls out the trial court fund working group and with the outcome of that might be. This is where the 1016 also hold down on the cash flow issues for the branch, specifically looking at two examples. One is payroll and with the indications are for that and just being able to pay the bills and there's a special suction air that also talks about -- that is a broad overview, it is an easy read. You have seen this chart before what has happened historically to the General Fund support for the branch.

>> The other document and I will go really quickly there is an LAO overview of the budget. This is a broad spectrum and they hunt in on revenue. This is where they also talk about the Governor's office is projecting a \$1 billion reserve and, again, what is important is there is another billion dollars that has been set aside for contingencies and emergencies. This document also add a broad little talks about policy initiatives. Began heavily on economic forecasts and talks about a wide range of issues.

>> Both of these documents are good reads, they are very informative. A good read, I guess, based on your perspective. That is an overview. We wanted to at least give 5 min. or so for other questions that might come up.

>> We will be supplying you with hard carpet -- hard copies of all of these documents and attachments as a follow-up to today's meeting.

>> If I may, there were two topics that I wanted to touch on quickly. Out of the discussion talks about trial court allocation history. What I wanted to remind you is that while we are generally as a Council allocated that funding for the trial courts on a pro rata basis, there were years when we got stated prohibition limit. There were funds that were distributed using [indiscernible] that you will be hearing about. It is not been an absolute or rather distribution. The reason this is important is that we are going to be looking at the funding workgroup and the subcommittee is working on, just that this Council has at times used other than pro rata to provide increase. In fact they were a year to were some small court were shielded from cuts using this model. Finally, we are working on our AOC budget improvement project. Have a subcommittee working on how we can improve hours and give a recommendation to the Secretary and how we can make it more transparent for AOC budget as well.

>> Thank you. Any further questions or comments?

>> Thank you. This is very helpful. I have downloaded into dropbox just to have it for reference instead of all of the different files that I have budgets and budget update issues. I know what you provided and what you went over. It was just really skimming the surface, but I found it very helpful as always, when we get into these discussions. So, thank you very much. I know it took a lot of time to prepare and you started from ground zero. Thank you very much.

>> Thank you, chief.

>> We will take a break until 230. Thank you.

>> [Conference on break until 2:30 pm PST. Captioner on stand by.]

>> [Captioners transitioning]We are back on the agenda for our business meeting. We are on item three, the trial court evaluation an overview of the updated resource assessment study model. This is no action required. Welcome judge all to me and also this good one, office of Court research. Thank you.

>> Good afternoon. Thank you for letting us come and give you this educational informational session of the Council. This is a tough topic, and it is one for the last three years that I've been on this, many, now as the Chairman, sitting and waiting for six hours a day and looking at filings and case rates in Delphi studies in meetings has been difficult for our committee. It was great, today, for us, anyway to be able to come here and present something to you that we think is good, solid work. There are a judicial officers on the -- 56 working group. There are adequate executives. In addition, we have met a couple of times a year. At a meeting I judge brings a -- and there are really 32 people sitting around having this discussion. That is important for you to know. We haven't always been super focused. What we have been able to do is really we talk through everything that everybody wanted to talk about ad nauseam to every single issue. We would just go and, therefore, and go over. I want you know that because it's important for you to understand we have talked to every issue that will come up today. We have talked about and throw to the point where we had to stop talking. The current members of the great, you will see up there on the screen. It is important to note that we have tried to be super inclusive with the

membership. In addition to the way that we work on some of the staff that -- we'll talk about on some of the actual technical staff, we included so many different counties. It was not like we just took one county and are now presenting information from one county. We went somewhere from 24 counties who are involved in our study, so we have a general, cross-section from the state of California. We originally worked on the judicial work and study that concluded 2011. You guys -- U.S. Consulate time approve the counsel and the meeting. Lunch we finish that, we turn to the staff work load model, is also known as the as work I've been trying to change that to something a little more catchy. I am taking different names. We met last month in January. It was really quite nice as most of the people that had been with us, sitting around those tables talking about different issues and letting whether you can add fraternity to edit a leave out legal separation, or have you do homicide, that case tabs do you put it in. Everybody that had been struggling around those issues for the last three years was present. That continuity which our workgroup had provided some meaningful discussions. Most of the members that were at the January meeting were also present in 2009. The group unanimously passed to bring it to you all for consideration. What the model is, the way I like to think of it is a formula. There is a formula that we are presenting that we think is sound that you all can use in the future. Some people call it a parameter. I'm a judge. I don't think that way. I think of it as a mathematical formula. You can plug in the number and number and a plug-in the filings. It just estimates the workload needs. That is not a fan the model. It is something you all can use as a tool and you have to make funding important decisions to show how many different types of cases are filed in our state. Based on the research we have done on how we wait those cases and with additional information from the Delphi studies, how that translated to how many people it takes to process the cases in the state of California. That is what we are trying to do just to give you a realistic workload study about what is happening in the state of California. The updated information that we have is from 2011. Obviously, that needs to be updated every year. As I already told you, it is a inclusive process with all of the different courts participating. San Diego participating, many other courts of participated. We did time studies, and we did Delphi studies. Don't will explain all of those terms to you all. It is not finished. For example, what is at 109 realignment going to do to our workout? We do not know yet. We will not know until 2013 or 2014. Is a process that will have to be looked at, 28, and finalize. What we are presenting today is our best information that we have based on what we have right now. I think that, I will turn it over to dad and Juliet to give you the nitty-gritty details.

>> Thank you, Judge. That afternoon, that of Chief Justice, Judge Jahr. We have a lot of time set aside on the agenda for this. I do not want to abuse the time for this matter. I see a lot of people around the table that have seen a presentation that will look very similar to the presentation we are giving today. At the same time, I do not want to show change any of you who may be coming to the research assessment model for the first time. What I would like to do is to encourage everyone, in terms of the time we have allotted to us on the agenda, I think it is set aside for 75 minutes for presentation and 75 minutes for questions. Please jump in and let me know if you have a question or a plain we could clarify. If it is interactive, it will be a much more meaningful presentation then if you see us as a couple of talking heads up. Trying to you at you. I also created a little overview here of what we are going to be discussing today because it is a

somewhat complicated topic work I wanted to give you advance notice of what we are going to be doing. I will do a high level overview on what the mass bottlers. What its origins were. What I consider to be the limitations and strength of the moment. I heard this typically, the -- referred to as the last minute at the end of -- decade. Also, a quick conceptual overview of case waiting. It is really the key to every assessment study modeled us. At that point, I will turn it over to the dock and that sixth borough, the detail of study and methodology is herpes. That is digging into the details for those of you who are interested in knowing how we really got to the point that we are at where we have the report we are presenting to you tomorrow. Before jumping into that, that me say what the problem is that the research assessment study model seems to address. This is, for me, I more helpful way of understanding and getting into the conversation. This is a graph of total filings in the Superior Court. This is one court over the last decade. You could see its total filings increased about 18.2 percent. There was a lot of growth in the core. There is another core, comfortable size. Not as big, little smaller. That's within the range. Its filings declined by 5.6 percent over the same period of time. The judicial Council does not have a mechanism for dealing with this problem. We don't have a mechanism or accepted methodology for evaluating where courts are in terms of the resource needs, looking at how those resource needs change over time, and in dealing with that. Providing the courts with what they need to function properly. That said, let me be clear, the resource assessment study is not itself an allocation model. It is, however, the foundation on which you would need to build an outpatient model. It is the way that we evaluate, and actually, put in more start really then even this, what those numbers even mean. I think any -- were presiding judge, if we look at those numbers would like to know a lot of things about that. It would like to know what types of filing? I filing is not I filing is not a filing, I heard somebody say. Different categories of filing some different. Categories which make them different and take longer or shorter amount of time. This highlights the problem, and you've got to think about in terms of 58 different courts. They are not static and all moving in slightly different directions at slightly different velocities. This is the problem that resource assessment study model begins to address. Let me start talking a little bit about how the research assessment study model addresses this. The RAS model is a weighted caseload model used to estimate the workload in the trial courts. In the report that you have on the agenda for tomorrow, three on page nine talks about what is not in the Mono. We're not looking at judicial officers. We have a different model that looks at judicial officers. That those mates were not looking at the need for SJ owes and the drug core. We're not looking for different interpreters. It is not driven by caseload. There are different things that drive court interpreters and a different funding mechanism. We're not looking at enhanced collections. There are a number of things off of the table. The value of case processing staff, in the trial courts, and it looks like were coast workload category an estimate each courts telework will load as measured by equivalent staff need.

>> I want to talk a little bit about where the research assessment study model came from. As a newly minted research analyst at -- 10 years ago I was assigned to a project staffing which became the research assessment study model. I have been about what this project for a long time. I know people associate it with me. I have heard it referred to as dad is model. I want to assure you, it is not. I am flattered. Those of you heard that it was my model. It is not. For those of you have gone to the trial court and participated in the study and helped us to make things will, it is

standard -- act is in terms of evaluating the workload. Any organization needs to understand where its workload is, where it is growing, where it is not, and act on that information. Like in hospitals to use patients a nurse ratios. In school funding you see people to teacher ratios. Courts use filings to staff ratio. With at least 13 other state systems that have used a staff workload model based on weighted caseload. We know that the federal AOC for the federal judiciary uses a weighted caseload model. One of the things that gives us a lot of confidence in our bottle is that we also know that -- within California you something internally like this or they frequently come to ask and ask us to help them. They will say they are looking that locational issues and do not know about their outline location and number of staff should be there. What is your model to us about -- should be at a location X we can use that information to estimate what number of staff needs to be at the different locations. There is a slight difference about where the -- came from. It is more of a historical, political answer. The analytics with the previous slide is where the bottle came from, historically and politically. [Indiscernible - low audio]. [Captioner lost audio]. Hello.

>> Check check check. I can hear it now. It is not a power outage. Can you hear that?

>> It does not work.

>> This one works.

>> [Captioner has lost audio and is on stand by waiting for audio connection. Please contact Caption Colorado for further information at 800-590-4197 or cc@captionedtext.com]

>> We will be operating off of microphones and passing them. We will hand out Mike's in order to continue according to the public. Dad, if you are ready to go, we are ready to begin again.

>> Thank you, Chief. Can you hear me okay?

>> We were talking about the origins of the RAS and fairly standard method of evaluating workload in many other courts across the country. Why do we develop the early version of the RAS. It really grew out of -- with the exception in equity funding across courts. I was on the AOC in the early days around 2000 when we all looked at our better. The answer at that time was we're going to do what the state does. Except, requests from different entities throughout the state. The branch developed many bad to change it request that by the courts and many request for augmentation of their funding. That process proved to be labor-intensive. It was pretty unaffected. After devoting a ton of staff to develop a gun evaluating the budget change, and having a sense the probably those courts that had the resources were maybe doing a better job at having to budget request changes forward versus those who did not have the resources. At the end of the day we also had no metric or way of comparing the need for additional courts in progress for another court or Los Angeles. There's no standard way of evaluating these things. It became unwitting and ineffective. The other thing that led to the study model is that the council just passed and approved the judicial -- model which is a weighted caseload for evaluating the need for judgeships in the Superior Court. On the basis of that we began working on the research assessment model. And approve the first model in 2005. That would be remiss if I did not say at a little about the limitations to the mass model -- RAS. I do not dispute the truth of these

critiques. I don't think that any single one of these by itself or in combination with the other ones undermine the validity of the model. It is important to put it out there. It is based on averages, modified averages. We adjust the averages. At the end of the day or average resources used by case. There is no -- out there. Nobody else can do this. If you look at the way that -- is evaluated in health care, school as, nobody can tell you exactly how much better and education you get of a student for an additional dollar of funding or how much better health care you get for a patient for an additional \$1 of funding and health care. Any health care. Anymore than they could tell you how much better case processing you get for an additional dollar spending. On Court administration, in fact, the relationship is a first work sometimes but more -- the case processing, the worst the quality of the case processing. If you think of cases where repeated continuances and delay occur at these can be very, very resource intensive. It is not because the quality of justice has been improved as a result of more time being spent on case processing. Another critique that I heard of the model is the fact that it does not capture every factor that could be -- that is also true. Certain things are known exclusions and then there are other things we simply do not have the data to model. To some extent, I think this is a prospective issue to those of us to do model and do statistics were we see simplicity as a virtue. We have the data that we have, we can work with that and it is the most powerful pieces of information we have that then there are definitely things that are left to design. We cannot capture for every single core we are looking at the workload in a court. Another limitation of the model as it does not show that a record needs resources. The final limitation I want to point to it, even if it showed -- resources, it would show some courts need more resources than others. To some extent, this is the parade. It allows us, for the first time, to have a metric where we can say, yes, courts need resources. How many resources? If one quick needs ask resources, how does that relate to other courts needing resources. In addition to saying something about the overall statewide need for staff resources in the courts. Would this be a good time to take a brief check to see where everybody is in terms of questions, concerns. I was looking at faces I wanted to make sure we are all good here.

>> Yes. [Indiscernible - low audio]. The model, it is different to compare the model in terms of - - I will repeat the question, the question was whether not the model saw the same courts -- resources. The model does show some courts are at roughly the number of and TE that they need, but with an important caveat. We cannot directly compare the need for staff, which is what the model shows with how many dollars a court needs. Many courts do contract staffing. There is another step that needs to take place. This is why I said earlier this is the foundation for an allocation methodology. It is not a self allocation methodology. We can catch me and TE need to what you guys report to. But the trial courts report to us in terms I have that the FTE they have. What we don't know was resources they have diverted to contract staff, also contribute to case processing. When he to cap those in the situation. Wasn't not taking into account cost of labor. We don't know what the use of -- negotiated labor rates are influencing that their need for resources it is. There is another step that needs to occur after you estimate the work load.

>> Does the model show that all courts need at least some resources?

>> No.

>> Okay.

>> No.

>> Any other questions before I move on?

>> One final quick historical note, this isn't a historical data. Strength of the model, I would like to be open and honest about the limitations, but I also want to be clear about the strength. Does more than exceptionally complete the process judge -- awaited we had -- courts participating in the process at one point in another. Our time involved about 5000 court staff which is about one-third of the case of the staff of the trial courts, maybe a little bit yet less. It is a huge number to have involved. It was developed to the guidance in support of the national centers for state courts, they're a team or our consultant on this project. They had can talk to these trials and another 13 states we were aware up. The model is based on very solid methodology and what I'd like to refer to as massive data collection. We collected over 100,000 data points from 16 of our time study courts. These are cards that participated in a new method of collecting data for staff received betraying to e-mails and five e-mails a day, then click through a menu on a screen, a website where they said I am working on this type of case. If it was in criminal, it would say, can you be more specific? They would say yes, I'm working on a misdemeanor. If they clicked on misdemeanor they would go into another layer. It would ask that they we're doing? They would say I'm working on calendar management issues are preparing minutes. Because into very detailed data collection that we got from some of the 16 time study courts. We collected over 1 million minutes of another a courts the participating in our time study. We also measured 13 additional case types over the 2005 study that the judicial Council to pay. I think the final item that recommends the model is the results have a great deal of case validity. We see the trial courts our later than the Word 2000 I will be conducted over study. It simply adds more resources and they were spending more time. They have the luxury of spending more time on case processing the data and Mimi did the study a couple of years ago. The trial court also needs more resources than they currently have. If you look in the aggregate statewide, and at the limitations we were just talking about some sort of, how do you compare the need in terms of FTE to what that courts have, on the whole, it looks like courts need resources. Once one quick stroke about in terms of how the modeled issues. This is something that was alluded to earlier. We did actually use the resource assessment study model interjected with the budget allocation model for three years during which the branch had state appropriation limits apply to the finding of a trial courts. When new funny came to the drug courts, starting in 2005, over the course of the 2005, 2006, 2007, other additional \$330 million was allocated to the trial court. This was new baseline funding. About 10 percent of that, 11 over \$30 million with a redirected, using the eight research assessment study model at that time to identify the courts that most needed resources. It would say you've been historically in a situation of underfunding. You will get some funding to make up for that underfunding. I want us to be clear that that is about 1 percent of the Taylor branch budget at that time which was about 10 percent of new funding. The back of most trial courts budget is allocated on pro rata basis. With a pragmatic, we need to be clear that the NAFTA in that what their budget was part to the advent of state funding. -- bagged 1994, 1995 as the year he said this is what the county provided to the courts in 1994, 1995. But worked with

those members to come up with an allocation methodology based on historic funding numbers. That's what the branch has been doing for the most part since then.

>> I want to put up a couple of slides and then I will turn it over to -- to do the -- I will show you the scatterplot. Don't get your eyes crossed. It is a fairly straightforward way of looking at how things relate to each other work in this case, that we are looking at in terms of how things relate to each other, is we are looking at the relationship between filings, which is our memos onto laccess. We looking at the filings of the number of FTE staff that the courts report to us. Each dot represents a superior court. Although you cannot see all of the detail, if you were able to count all of the data that overlapped on count all the dots that overlap on-topic when another, you would come up with 58. You have all 58 superior courts there on that graph. What you see is if you look at the relationship between filings, in general, and the number of staff that the courts have in their courts, you see there is a clear relationship. I do the line. You see that there was one very large code that has a lot of filings and a lot of staff and it sticks out way out there at the top right. That is Los Angeles. As you come down the line, you see some big escorts or in San Diego, Riverside, San Bernardino. They have a lot of filings and a lot of stuff. Not as many as Los Angeles, but if they weren't no relationship between these things, we would save as scatter throughout this frame in a random manner. What you actually see is a clear relationship. This is where we start with the unweighted filing. This is an exercise in trying to understand why we need to break cases. Case waiting is critical to looking at the workload in the courts. This is average, overall step that the courts report to us and to filings. I'm going to do a quick turbine. I'm going to illuminate the eight largest grants from the mat. You could see the same sort of relationship. You can see the same sort of detail. We're now looking at the court largest 1 year at current, festival, that have around 250,000 there, T-letter 50,000 filings total, and I was around 500 staff. Again, you could see a very clear relationship between the filings in the court and the number of staff that are in the court. This is why we wait basis. That is the average all of the non-infection staff and all of the non- infections filings, you look at this graph again, it looks the same. It looks to scale. Los Angeles is no longer sticking out there with 3 million filings. They are now about 2 million filings because they are -- about two thirds of Los Angeles is total fraud filings as infractions. Their staffing numbers no longer around 5,000, they are around 400. Instead of about 500 filings per staff in the grants there are 4,500 infractions filings per the FTE that the court wants to process. This is the court Sunday. It is not our time study data. We have much more data will be used had study. You can see, again, leather look in terms of this of the non- infections filing. We do the same thing with the non- infections. You can see where all of the staff in Los Angeles when. They are down to about 1 million on factions filings in Los Angeles that back to almost that 5000 that we had in the first leg. What we are looking at now is all of those staff who were not working in factions. It is only about 400 of Los Angeles staff working infractions, because a single staff and causes a lot of factors. They can't process -- factions. We're down to -- 15 nonfiling factions. FTE in the courts. This is the -- of case waiting. I'm going to drill down real quickly it is not driven exclusively by Los Angeles. If you look at just the largest courts under the same thing, these are the infections filings. Once again, a number up about 4,000 infractions filings. FTE, these cases do not take as long and they need to be distinguished from the non- infractions cases in order to understand the courts work. If you look

at the same, all of the courts minus the eight largest, you look at their non- infractions. Again, we have a clear relationship but it is the number of axes that are changing and we're only getting about 100 and one on infractions filings. FTE in the courts. What this is showing is a very different profile feminine factions versus non- infractions case. What I'm trying to drive our business, there is no waste around those numbers. You see above you see some below. More than 4000 infractions cases per FTE, some process less. There are orders of magnitude difference between Diffraction filing in the non- infractions filing. If you just take these 2 grams categories of casing in the courts, where are you difference is between the workload of the patients of those cases. Courts, unfortunately are not organized for data collection from data collection federal research campaign. If I had my way, that would be. That they organized to process cases. You can just pull data from them and say, Tara somebody staff in felonies. As have many unlimited, civil, how many of small core claims. They are not assigned that way. That may be accepting -- following cost small claims filing, to filing, the Herald Debra Messing we do the factions versus non- infractions. That is an advocate about getting additional case wait to break out more detail in terms of how much time it takes to process different cases. What Leah is going to talk about the rest of the presentation is going to not talk about how many filings per FTE, but instead talk about how long each filing takes on average. That simply is taking this number and turning it on its head. If you know roughly how long people have to work in the courts on a given day, then you can say something about how long each of these filings would take to process. In this case, on average, this would be about a 24 minute of action. This would be about 552 minute non- infractions case, if you were to compare those cases in terms of the minutes required for case processing. The reason this matters courts of very different case mixes. I have -- filings establish a filings. Some courts have almost number of their Tara filings are non- infractions. This is much earlier workload implication for those courts. Those courts over on the left. The statewide average is about -- percent. There are big difference in the cases in different parts. The RSA, report of detail some cases take more than others to process. Examples would be felonies versus infractions -- versus all claims, with the RAS does is it makes the cap -- in minutes, and it uses a filings data as a workload drama. We multiply the diver by -- to estimate that workload we're coordinate course based on the each courts you dig next.

>> To return for a moment to the question of why we are updating the workload studies, the original typesetting for the Jack -- jammin judge and staff models were created over a decade ago. There have been changes in the law and technology that is used, practices that require we update the case weights. An example that I always like to give us the 2006 on this conservatorship and guardianship act. It instituted many changes in the way that those cases are handled. It required that we update the case wait accordingly. Also, in terms of the filings data, we have better and more complete filings data from the core. There has been a -- effort in the last decade to help improve the accuracy and the completeness of that data. That helps the accuracy of our workload model. [Captioners Transitioning]

>> Secondly we have the filings data for this case. We are somewhat limited in that way, there were questions about including a homicide case wait, complex civil case wait Perko currently we

do not have very clean data from all the courts to differentiate that from felony or from unlimited civil, for example. Those are areas that we put aside to come back to for later time.

>> The availability of filings data is a constraint. The news -- the new case weights that we were able to update in the study are shown in gold. We talked a lot about case weights and I just want to make sure that were clear what that is. It is, at this as defined on the screen, in minutes. Including any post disposition activity. The visual that I sometimes use is that if you imagine a new filing and Amendola folder with a stopwatch of Joshua, the time that elapsed as every time the file is work done through completion should represent the total amount as more or less the case wait. The matter time needed to process that case.

>> Use case weights and a formula to measure the filings driven workload. Workload of operations staff doing processing work. There is other staff being measured that I will talk about a little bit later. The majority of workload population is done using this formula as case wait multiplied by average three-year case filing and divided by the total mana time in minutes that staff have to use.

>> Let me talk a little bit more specifically [Inaudible - static]

>> As Jack mentioned, they come from a time study of over 500 case prosecutorial staff. When I talk about case processing staff, I mean operations staff including clerks, legal research attorneys, professional staffs such as mediators, facilitators, it additional -- there are a number of different titles that follow under the heading of operations that.

>> The case weights, the Times was conducted in 2010 and now that a couple of years have elapsed, I find that when I give this presentation and go through this lie, I tend to move past it very quickly to get into some of the other details. But I would like to positive for just a moment and acknowledge that a time study of the size takes a big contribution from the course to make it happen.

>> Was of all the study recruitment took place at a time when courts were already feeling the initial effects of the economic downturn. Never the less, we have many courts that volunteer to participate. In fact, at one point, we had to stop accepting volunteers because of our own limitations and staff we could manage in the study.

>> Dissipating in the study meant that each court had to produce a sense of all their operations staff including e-mail addresses, titles, work hours and planned absences during the study. We needed that information so that if, for example, Joe Smith did not submit data on a particular day, we could follow up with the court a day or two later and try to troubleshoot and figure out why we did not receive that information.

>> Later each study core designated a contact Perko that contact person deliver training to their teams, motivated participants, managed technical difficulties owing the study E at the end wind up with a 95 percent completion rate on the study. And for study of the side, that is tremendously

high commission rate -- completion rate. And those study court contacts should be commended for the work that they did.

>> On our site, on the study team site that AOC, and it is not the Office of Court Research, I wanted to acknowledge the child and family courts, other staff from that unit came together with us to develop data collection forms and the web-based data collection tool. We, together, established the decision rules on how to classify and record data. We developed the training material, we deliver training. We even had a helpdesk running during the study to answer any questions or address any bombs that came up.

>> We took advantage of subject matter experts in the courts and the AOC to make sure that we had subject appropriate sequences. The working group and the judges and the CEOs who oversaw our work came from a variety of different practices. Judge [indiscernible] recently had been working in family law the time. We had judges from many other disciplines are able to make sure that our data collection instrument reflected some of those different nuances and case processing.

>> As you all know, it took us some time to figure out that not everything follows that criminal case processing model like arraignment and pretrial and trial. There are different sequences, different ways that cases go through the system and so it was important that we had that level of detail.

>> The map that I show here on the screen am a there are two different color so you see. The green and the blue. Reflex use of the two different data collection methodologies. The courts in blue use the time diary method where they recorded all of their activities over the course of the day by case type and by functional area. I have previously alluded to this as the same type of time she's that attorneys are asked to fill out to record billable hours.

>> The other staff in the green used the web-based data collection tool that he also previously mentioned. Our interest in using that method is that because they are not reporting on the full course of the day, we could ask a few additional questions that let us get some more detail and we had a more detailed data set as a result Perko.

>> We are getting you a microphone.

>> We want to record it.

>> My apologies. Our court was Santa Clara. Dissipated in the data collection effort and I do not remember, unfortunately, my question is part of the case wait that is developed included post disposition activity. I could not remember post disposition activity can take months, maybe even years, and I could not remember how that information was built into the formula.

>> That is a very good question. If you can just hang on for two more slides, I will show a sequence that shows how that is addressed. The question again is how do we capture post disposition? Let me take to slides and note get that.

>> First of all when courts report their time, these were the different categories that we ask them to report their time in Perko so we have detailed information in our study about how much time staff spent on document processing relative to say jury management. Then for those clerks I participated using the web-based tool, this is a snippet of some of the tasks that we asked about for criminal post judgment activities.

>> With the courts that participated using our detail collection, we can actually drill down to this level and compare, for example, the time the court spent on preparing those jail prison, hospital packages relative to one another.

>> David's question is very good. There are cases that take years to get to the system. You are right, we do not study them from day one through year 18 when they conclude. The way that we collect the data is called a cross-sectional analysis. It is different from a longitudinal lasses. A longitudinal will be from start to finish but it is just not feasible in this type of -- with the length of time that some cases take.

>> What we do instead if you look at the gray box and the screen never presents 2010, we studied the courts in that time period. We pick a time of the year when a lot of a few people are taking vacation time and it is not close to the holidays so there is a little bit of deliberateness and the time that we select.

>> Again, even within the range that we are starting there are very few cases that begin and end in that period. So we are not capturing all of the actions of single case. But instead, we study each case that staff work on during the study period.

>> And a somatic if you imagine that each of those lines represents a case and each case, each dot represents an action or event in the case our study captures data an event in activities that happened during the study period. So we may collect, for example, a case initiation activity in one case and post judgment review hearing in another case, but because we have such a large data sample, by the end of the study, we will have enough data to be able to represent all of the case processing work and the tapes of case processing works that happen in a typical case by case type.

>> In terms of the level of information that was captured in our rest model in comparison to the other state, because I know NCSC who assisted you guys also has been instrumental with other states. My understanding is that we you guys did with regard to the time study is more detailed than what any other state has done. Can you talk about that?

>> Thank you, Jodi. You are correct. I'm just going to close your eyes for a moment so I can go back about five slides. NCSC will collect data at this level, the functional area. That, again, is not -- it is a reflection mostly of the data collection instrument that you have here. Asking staff to report on their time in 10 min. increments over the course of a day, then if you were to drill down any further, they would have hundreds of lines because often many staff are performing many diverse functional course of the day.

>> This is a level of detail that NCSC get that. Within each of these our tasks or activities that course that perform, this is an example of the data that we got into. Rather than saying, for example, the court staff spent say 50 min. on post judgment activity, we can say court staff spent 15 min. on post judgment activity and that is comprised of -- that comprises the jail packet, the abstract, and we can tell you how much time for each of those. So it is an additional level of detail.

>> We also tied our data to hearing so we can say how much of the workload is attributed to preparation for hearing Perko that is another level of detail that NCSC does not get to.

>> I think that this is one of those areas -- let us get you the posters position data at this level it is I think you're court participated. It is a great opportunity, we work with a number of courts to say look, you yourselves do not know. You are not set up for data collection, your set M is my.

>> Many courts do not know what those workload drivers are. What specific area are we taking a lot of time and? I will -- my team and I, all of us, will pull out the Santa Clara data and pull out the posters position stuff. You can start looking at what the specific values are within that in terms of how long that takes and -- in the processing of any given case.

>> I will speed through to get back to my place so look away for a second.

>> After the time study, this is what we end up with. This is some of the data from the 16 courts that participated using that web-based survey Parco what this says is each line represents a court and the length of the line is the average time in minutes that it takes for, in this instance, to do felony case processing.

>> For example, the two courts down at the bottom of the graph take on under 1000 min. for felony case processing. The colors correspond to those different optional areas, those different categories that I talked about earlier.

>> Zebba, the dark blue is the amount of time that each of those courts spend on document processing.

>> What you see here is that all the court suspending different amounts of time on this case time, generally, they are spending approximately the same amount of time in those different optional areas. So felony, for example, is heavy with courtroom time. That is a green in the middle.

>> But if I was switch over to infractions, you would see that there is a little courtroom time spent. And the red bar in this graph is predominant and that is the time spent on fee collection.

>> Another thing you notice is that the scale has changed. Rather than spending up to 1000 min., the court that is down to the bottom spends just over 60 min. on infractions case processing.

>> I will show one more and that is the family law marital. Here we have, again, the scale has changed. Now those two courts of the bottom are spending just about 1200 min. on case processing but the Colts have shifted. We have introduced a new category in this slide. The dark

brown at the end -- use -- you see it mostly on the bottom three or the bottom for lines, that is data we gather through a supplemental survey. Sumac that is case processing were provided by contract staff or contractors services. So these must be courts that are contracting at their mediator or facilitator and we gather that data and added to the bar.

>> Again, you will see a slightly different schematic here. You'll also see that there is more time spent on self-help. That is that grayish blue. And a little bit of time spent in these professionals, that is just reflective of the family law marital case type.

>> If I can just jump in here. When you look at this and you say we do not know which one is better. There is no study to tell us in the family law case or criminal law case whether the average means better justice or the longer Mistretta justice. That is one of the things that that talked about that we struggled with.

>> As we met with the three years before my years of meetings, is it best to have a big self-help or a small self-help Wechsler or a lot of query time or no courtroom time so you're not time to present the average is the best or that the one of the bottom is the best of the one of the top of the best is because we have actually no way of knowing.

>> We did also want to let you know that we could not take into consideration if you have a difficult -- or you have a very congenial bar. Was a bar comes in and settles all your cases. You numbers are different than somebody else's. Other counties do not have that bar that works that way. Or what if you have a district attorney that does not settle any cases? So your courtroom time is a lot more because there are not any please. What if you have a lot of different locations? Maybe it takes longer to get the files.

>> So there are all sorts of things that are not in there. I think it is actually interesting information for you to see how much time in different locations that were able to capture what this random and time study.

>> Alan?

>> I think the essence of what people need to understand about what case law does is that it works on averages. The averages that nobody is verifying that is effective or efficient or best practice, it is just average. There is nothing better than anybody else has out there. People need to understand that it is just average.

>> The other thing is, can you go back to the felony one? The court at the top is taking somewhere around 400 min. to process a case on average and the course of the bottom are close to 1000 min. so that is a 2 1/2 to one spread. So if you use the average, say 500 or 600, for determining need, what is going to happen if you use a projection for that first core, they will get 50 percent more staff than they need because they only take 400 min. not 600 min. as the average. And the courts of the bottom will not get as many staff is a need this on their own practices Perko they will get shorted.

>> When you look at it on a court by court level. I think -- if you use the average but you're looking at the entire state, you will get a good estimate because that is the average and that includes everybody. Once you break it down into individual courts, the variance starts getting wide and your accuracy goes lower and lower and when you get your court like Loomis frankly this is not worth much. Is that a fair assessment?

>> What I would add, with the group tried to do was not to say, you need to process a felony case and you need to do it like this with as many thousand minutes because that is not -- we do not know that it takes 1000 min. to process a case.

>> If you work for the average and then the local court and their own policies says we are going to devote these FTEs to this because this is the way we do it in this county and this is what we feel comfortable processing, you are going to and that the right number of FTEs but then every county is going to have to allocate them as they see fit.

>> That assumes that everybody is high on one case cited and low on another case. And may not be true, I do not know. If you start telling people this will affect how much money you get -- yes, we are, eventually. We are going there. So people need to understand what this really means down inside because when it goes up -- when it comes around to getting money, they want to go back and see what is going on here. Because they are going to say that they are not getting enough money do the work and we will say you on the bottom of the list, sorry reuse averages.

>> The problem is if they're not getting the money to do the work right now so we are already in that situation. Some of the course when you see that they are taking more time, we actually know that that is inversely correlated with the quality of justice. We were talking about this in a previous meeting where you have an example like Riverside what you have a DA who has become unwilling to agree on the value of the case and is taking everything to trial and it creates an incredible backlog. It diminishes the quality of justice and it takes longer to do.

>> The question is are we trying to build into our model each courts individual unique circumstances that make it -- that some courts will take a really long time, some courts will not take as long current. Orrery trying to get a model that says this is that we value this court as a branch and each court gets a bundle of resources to deal with that and you either prioritize it or fear challenges of this area, then you have to make it up in some other area. That seems to be as a policy issue a better way to grotto.

>> Just one last point. The personality that Jody brought into discussion. Because we look at these cases -- and when we did the time study, we have to allocate everybody's time. But we do a census of all operations staff in the Oort in order to get our sample. So we're looking at everybody. So we count everybody's time into the estimates of how long it takes to process cases.

>> Part of what we're looking at here in terms of diversity is the curve. Some people have a bigger purse and put more stuff in it. It may be better but we have not been able to document that. We have not been able to document some areas where we think it is worse on the high-end,

some areas where we think it is worse on the low-end, but at the end of the day, what this really reflects is that some courts have more resources than others. That is the uncomfortable thing that I think the research allocation study model lays bare.

>> It lays bare in a much more explicit way that some courts have more resources another, seeking these things into consideration.

>> Mr. Alexander.

>> Did you find that the same courts with the bottom and the same course with the tap or did they move around based on [indiscernible]?

>> There was definitely movement Perko .

>> So the people that use a lot of resources in every subject area?

>> No, not all the time. There was one thing that I neglected to say when I had that map up showing the course that participated. One thing that makes me feel more confident and averages reuse is that we dropped -- drop from a very diverse sampling courts across the state. We did not take all the courts that were small and under resourced. We had a mix of courts that were large and small, rural and urban areas, to courts that have a lot of resources and courts that do not have as many.

>> We are drawing are average to 24 courts. So 24/58 is a fairly good representation of processing practices. The batting average is another analogy that we use. If I go to bed twice and I haven't hit a home run, that is pretty good. But if I were to do it time and again, then average more consistent with my March poor batting average.

>> If we were only to draw our sample from one or two courts and the average may not represent the statewide average. But we draw from 24 and it is much -- a little more accurate representation of practices statewide.

>> Did you and your regression analysis, did you find any correlations -- for example, correlations between court size and amount of FTE time dedicated to a particular case type?

>> Did you do any correlation studies, I guess what I'm asking?

>> Between the size of the court -- sumac one example. Small courts, meeting courts large courts. Is there any correlation between the size of the court and the amount of FTE time or staff time spent on an individual case type?

>> I do not think it correlated as much of the size as what was happening in the court. For example, and the slide that we have up one of our courts have several high profile murder cases happening during the time study.

>> They are small but yet they had high workload in felonies. I do not think that we can see that -- the relationship between size and where they allocate their resources.

>> Generally there is not a relationship. What you can see if we were to unmask the names of the courts, you will see the real size issue comes up in terms of sampling error. You will see that the smaller courts we had to judge courts, the smallest courts tend to pop out of the very top and at the very bottom. They may not have a lot of felony activity during the course of the activity, and it -- or they may have an inordinate -- in ordinate amount because the sample size is much smaller.

>> Was either go to the extremes. Apart from floating out of the low-end or the high-end, there's generally no coordination the size of the course and case processing.

>> The executors will start building these out and looking at supervisory names for staff. Then we start to see relationships between the numbers subsequent be supervised in the larger courts and the smaller courts. There we could -- their receipt economies of scale. The larger number of steps that are supervised by managers and supervisors then in the smaller courts.

>> Either any more questions about the bar charts before receipt? Yes.

>> Thank you. Speaking of correlations, I have heard some say maybe the best correlations are per capita analysis. And other words, just look to see how many filings there are per capita in particular jurisdiction. Is there any correlation between that and what you actually graphed out using these weighted case studies? And other words, with the courts fall on that same plot that you have in the same direction? Is it that simplistic?

>> For the trial court fund working group, that is something that they had requested to see over the course of -- since trial court funding, so for the last 15 years. We did filings per capita, we also did allocations to draw courts per capita. There is no logic at all. There was absolutely no correlation.

>> If there are number questions on the bar charts, then I will proceed.

>> During the time study, one of the concerns that participants raised was that the amount of time capture during the study was measured the what is. Or workload what might be considered less of what is considered optimal level of resources.

>> Court staff pursues of getting in the study, while they would document their time, how they were spending it, it could be that they were forced us to spend less time doing minutes or data entry of minutes simply because they were pressed for time. In a more optimal situation they would take more time to not use somebody more abbreviations, for example, or to do quality control work.

>> So we do have to address some of those concerns. We don't just take the results in the time study and say those are the case waits Yurko we do an extensive validation process that helps to get at what me a better average.

>> One of the things we did was we took the colored bar charts that I just showed you, we took those to the courts, we met with judges, court executives and the staff that participated in the

study and we ask them to help us interpret the data to tell us why they thought that their court fell at a certain part. We had the agreement of all the courts participating that we can present the grass with all the coordinate showing so that the courts could compare themselves to each other and try to suss out readings on why they were spending more or less time and certain functional areas.

>> The second item that we did is something I eluded to a little bit when I showed the family law chart -- bar chart. We conducted a study to capture any case processing work that was handled by contracted staff or contractor services. This is case processing workload that in one court might be headed by court staff, but in another location, might be done by off-site under or a contact of service.

>> One thing that comes to mind is that initial data entry for infractions, there are many courts that use off-site now to do that initial work. Whereas another court is done by actual court staff.

>> The final thing we did is the [indiscernible] sessions, that is a term that the national Center uses and they held these sessions, another way to say it is a focus group, we brought together 58 mostly supervisory staff court and leads from 20 different courts and we asked them to review our data and to make adjustments to show where more or less time were staff believes more or less time might result in better case processing outcomes. Those were -- to move that average to something that was a better representation of resource needs for those different case types.

>> What we end up with is a set of case waits, again case waits express amount of times in minutes, because our screen sizes small, I did not bring the chart showing the different case waits but it is in table 2 of the report that you will be reviewing tomorrow.

>> Instead I brought a bar chart that just shows the relative weight of certain cases to one another. For example, if you see down toward the bottom, infraction cases date little time and at the top conservative ship, guardianship cases, asbestos cases, dependency, those are some of the cases that take much more time to process.

>> It is important to remember that our case weights represent average case processing time over the full range of possible case outcome. Everybody can recall a six-week felony trial or family law case it takes 18 years, but, remember as well, the trial rate for example in criminal issues to a 3 percent. The majority of cases are resolved far before they get to the trial stage. So these represent the average over a full range of possible case outcomes.

>> I want to recap here that the case weights present the amount of time that case staff spent on case processing work. Program 10, operations staff including clerks, legal research, attorneys, judicial assistance, mediators, investigators and self-help step. Case rate also helped for a time in court reporters. Also accounts for untracked staff and services provided by off-site vendors.

>> The workload that we measure with case waits represents the majority represented by RAS. I want to talk just a little bit about the filing data that we use for RAS. We do use a three-year average of the most current data available. The numbers that we have in our report tomorrow

reflect the three-year average of this go year to thousand 8/2009 through 2010/2011. This is the same data reported in the judicial brands information system.

>> This is not a data repository but it also manages that the data definition process, accounting rules that are used and the transmission standards.

>> We are pulling from that same data set that feeds the court business report.

>> As I mentioned a bit ago, case weight measures the majority of time that the RAS mother measures but there is also workload in there. Managers, supervisors and also court administrative staff, sometimes referred to as program 90, it comprises the IT, human resources, fiscal and executive office function and to calculate the need for the staff, it is closely tailored to filing; it is more a function of the amount of operations staff. So we expressed the need for these, we can't cling to these for these come as ratios. We do use different ratios, going back to the correlation question, where we do see differences based on size, incomes to the number of -- the relationship between management and supervisors and line staff.

>> There are certain economies of scales that the larger courts can take advantage that we do not see in smaller courts. So when we calculate the need for staff, we do use [indiscernible].

>> What we end up with is an estimate of workload need that we express in FTE and full-time equivalents. I'm showing here the statewide need for operations staff and operations managers and supervisors.

>> When we first that the numbers together, we estimate that need by case type. So we can drill down even further to criminal, we can express that -- we can show misdemeanor and felony separately. It is based on differential workload but by case type. But we bill the numbers up and them them together when we assess workload needs. We do not look at the key types in the aggregate.

>> Let me go back for just a moment Perko and each of these boxes, it shows the FTE need for the work at each of those case type categories. For example, infractions, statewide it takes about 2,053 FTE. If I found those against the different case type categories listed, the total would be 18 18,127. We carry that over to the slide, you see on the far left. We could not show this on a single slide because it is too long so that is why had to divide it.

>> Administration staff need 2,728 for a total of of 21,005. The next question I'm sure comes to mind is what does that number mean?

>> We calculate the workload need and expressive as full-time equivalent Perko but you will really be able to compare the courts, we have to translate the FTE needs to dollars because their differences and how courts are deploying resources.

>> I talked earlier about contract staff and technology, some stores need the need for case processing work using technology or contracting staff. So we cannot use this as a staffing model. It is a workload estimate.

>> If we compare -- sometimes we have been asked can we compare the FTE estimates of schedule 78 and there are some problems doing that because the schedule 7 a is the report that records a census of court staff. Some of the issues -- yes, we can count how many filled positions there are no court, but in one court they made, instead of filling positions, they may opt to use a type of technology that would then render that comparison not comparable.

>> 7A, we hesitate to show the two.

>> I think we have gotten burned so many times from using the 7A -- we have some people who really hate the 7A haters. A lot of their financials but also their positions. The positions they have. If we compare the 7A coming you would have to deal with the question of authorized versus filled positions. People dislike the authorized even more than they dislike the filled, but the filled position at least we can look at and say we think that there are bodies there. We're pretty sure courts are paying good money to do court processing work.

>> When redo the comparison between filled positions and what are models of the court needs, we are looking like we are about 2000 staff short statewide. It is close to 20 percent below what our estimates are. Leah is the person who always tells me to be cautious about the analysis. I think that is why she wants to be careful about not saying that is the final number. Because it is not. There are caveats such as how are the courts using the staff.

>> A rough estimate would be that we are looking between 50 percent or 20 percent below what the 7A says the court has.

>> I had a question. As it relates to a point that Alan had made. I think the numbers that we saw take us to the average, right back so in terms of the timeline and the number positions that we have? For everybody, for those courts that are below the average, reshuffling of the deck so to speak, with those that are above the average, we are still short a couple of thousand positions. If we looked at the target as the high-end in terms of how long it takes to do case to case and maybe somebody can make the case that that is what is required to have equal access for all courts to provide equal access.

>> That number would be substantially higher, I would guess. What we are doing in my sense is that we are adjusting down in order to fit the reduced allocations that we have all had. When what may be helpful -- and of course I'm just talking, for us to look at how many more resources that we would need to bring everybody to a higher level.

>> I think that is a really good point. I think the challenge that we face is without having some sort of best practices, it is difficult to say what is the right number. Is at the bar that was on top, in the middle or on the bottom? Because, in today's world, there is the ability to process cases in which ever way that a court has a starkly done so. It is impacted by the technology -- a variety of different variables, but until and unless we have some sort of test practices to say this is really the ideal time in minutes, I think this gets close to a starting point, if you will. And best practices are a bit more challenging to develop from a branch perspective and it will take us considerable more amount of time.

>> We are just about done, hang in there. We have maybe three more slides and then we will wrap it up.

>> I want to just put up here that the parameters, the action that we will request tomorrow, we are not requesting approval of those numbers, I just showed. For the reasons that I stated. The request of the judicial Council tomorrow is to improve the method by which we arrive at the numbers. What we call the model parameters. The set of case weights and the ratios that we apply to calculate workload needs.

>> I just want to underscore further and we have said it before, the RAS model again is a model that is meant to measure workload. It is not used, it is not by excess -- itself and allocation method. We cannot use it the same way that the judge model is used. The judge model is a much simpler tool for us. We can estimate the number of judges needed and we can compare it to [Inaudible - static] Authorized staff so we cannot compare FTE to actuals. We just discussed several of it. CMAC also, there are differences in labor across courts and by converting two dollars, that allows us to account for cost of labor. Those are reasons why the model by itself is not useful as an allocation tool.

>> It is the foundation for something like an allocation tool. I will turn it over to Dag to offer comments and then judge [indiscernible] issues any additional comments as well.

>> Thank you, Leah, and thank you members of the council. I would like to conclude in part I restating the problem. The National Center for State Courts recently released a report called as a bulls for it judicial administration, and they refer to resource allocation as the heart of court management. They encouraged court to use objective workload models and allocating resources.

>> The NCSC works in the entire state court system, but they also work at individual trial courts. When they draft these types of statements, there were careful to make sure that they acknowledge that this is not a unique problem to a state court system. It is a problem that individual trial court administrators face.

>> They say resource allocation to cases, categories locations -- cases and jurisdictions. I wanted to emphasize that because this is a unique problem for us as a branch. Individual trial court administrators, presiding judges, or executive offices basis in their own courts.

>> When I showed the slide earlier, I would like you to consider that instead of thinking of this as to superior courts that have somewhat different trajectories over the last 10 years, imagine if you had to branch locations. One that was showing the trajectory of the top line and the other that was showing the trajectory at the bottom line.

>> Or you had to do anything case types. This is the dilemma that individual trial court administrators, court executors, presiding judges face every day. The big difference is that at a single court location, you guys get to work it out, hash it out and deal with it.

>> Here for the council, we are sort of the new territory. In 2005 when the council approved the first resource assessment study model, we framed the problem in terms of historic underfunding.

It was a problem that we inherited. It has been eight years since the council of the that model, it has been 15 years in state funding of trial courts and we now on this problem much more fully rebounded back in 2005. I'm going to leave you with that and turn it over to Judge [indiscernible] and see if she would like to see anything.

>> I just wanted to conclude and let you know that all of the questions that I can see in all of your minds right now, we did. We talked ourselves to when we were blue in the face about whether or not we should include this or include that or should we try to capture the best practices. You start talking rest practices and you start seeing people's defenses go up. The way we do it in San Diego, we think it is best way but the way they do in an L.A., they think is the best way.

>> Trying to strike a best practices is challenging would be nice. We really try to come up with something that where you all could start. This is how many FTEs we think based on all of this information, all this data point and all of this commitment by the 60 members plus these 24 trial Corsican hours and hours to the staff and can this thing that PJs around the state to let their staff be involved in this project.

>> We try to give you the best job that we do give you. It is reliable data that you can now take and turn into something else with adding in all of the consideration was some of the topics about different locations and difficulty EA's and local practices that are never going to change, furloughs, disability issues, backlog, budget cuts, this is just a starting part and that is all that we are trying to present. So thank you for your time today.

>> Thank you, Chief. I wanted to make a couple of observations. When we got started with the trial court funding, it was already in November and I was only generally familiar with the SB 56 workgroup and his task. I called Jed Oxley because it became apparent to me and it was probably apparent to all of us just how important a portion of our work, the RAS update, the SB 56, was. I urged Judge Oxley to have them finish their work I is a good given the very" that we have in April that we have in April 2 report to the Council on our work.

>> They have done an extraordinary amount of work. Judge, Dag, Leah, and all of your staff, I really appreciate it. Just a couple of observations.

>> I do not know much about time and motion studies but I have some rudimentary understanding. Couple of things struck me here.

>> First of all, I think we all agree there is no perfect predictor of workload needs. There cannot be, it is to flow it, it is to human driven from all aspects. But as a workload model, I think that this is an excellent start. As judge Oxley has just said, this will be a work in progress.

>> But as a foundation, as both Dag and we have mentioned, as a beginning foundation for allocation mechanism I think this will be enormously useful. I do know enough about these matters to recognize and distract me last week as Leah attended our workload meeting, I do know enough about it to know that this is a very large sample size for this type of study. The

number of courts participating, the number of individuals participating and the large sample size the more accurate predictor you have.

>> I also think that it is a starting point that we can use as a foundation document.

>> I guess the last point I would like to make is that it has also become apparent to me since I began working on these matters with the trial court funding workgroup that whatever else we do, the long-standing pro rata method that we have been under and using since prior to 1997 is no longer sustainable. We have to put something else in place. I'm sure we will discuss and argue maybe tomorrow, argue in a collegial way but certainly in April, what that should be. I think that people who have not come around to the fact that the status quo is no longer sustainable need to recognize, in my view, that that is not the case. I would, again, like to thank you. My question is this. You'd mentioned through the NCSC that approximately 13 other states have used this or a variety of this, do we have any information at all as to how effective those states have found this methodology for workload analysis? I am afraid the answer is that once his train leaves the station, the states are so different that maybe you cannot make comparisons anymore. Do we have any information on that at all?

>> I do not notes Ackley. We have talked to them recently about how they incorporated workload measures into budgeting. That is a problem that we have not gotten an answer to. It depends on the state. Minnesota is one of the leaders in this kind of work and they're much more unified and operate on a single case management system Perko they have a lot of things in place that we do not. I think it allows us to use these models more fully than other states. The short answer would've been, I am not sure.

>> That is perfectly acceptable answer, Dag. Perko X much and Chief thank you for the microphone.

>> Thank you, Chief. And thank you for that presentation. It was lengthy but quite informative. It is clear that the title of RAS and SB 56 workgroup does not do justice to what you have been about. It is a very important function. I think that there is an old expression that perfection is the enemy of good. I think to the extent that we seek perfection in this very complex human area of endeavor, we will never achieve a result.

>> I think your ultimate analysis is quite good. That is probably as good as we will get. Justice Hall and if touched on the question I was going to ask. The 13 states that were involved with the National Center studies that apparently used the weighted case study approach, is there another approach that is used by other states? Or do they just not get involved in this at all? Another was, is the methodology that you use, is it the same general methodology that the other 13 -- is there another methodology that is used in other states?

>> I would bet the answer -- I can get the same short answer that I should've given to Justice Hall. I'm not sure. But I would bet the answer is not really because -- if you go to a place like Texas, they are not really a state court system at all. They are a strange amalgamation of local municipal courts and all sorts of municipalities and then some superior courts, they do not have

anything like the structure we have. I would bet the reason the NCSC has worked in a number these days is there a limited number states that are unified to the extent that you can begin to say we are ecstatic torts system with entities that look comparable to one another across counties or circus or whatever might be that would allow you to do this type of work.

>> Absent that, it is apples to oranges. You are looking at a probate court comparing that to a traffic. It is more problematic.

>> [indiscernible]

>> Chief and I were at a national conference last summer and I attended several workshops with other interim -- administrative directors. The 13 courts are -- not all of them are all state-funded and unified like we are. A majority of them are. But the discussion with all of the directors was the fact that regardless of what type of system each state has, they have all now started to recognize the need to develop some sort of metrics because they are all realizing that unless we have some way to measure ourselves, nobody is acceptable with the Legislature and with the executive branch. So more and more courts are talking about -- states are talking about and wanting to start this effort that we initiated a four years ago.

>> [inaudible]

>>[laughter]

>> On account of what Judge Rosenberg and what Justice Hall and what Jody has said, I will be a lot shorter. The perfect is indeed the enemy of the good.

>> The fact of the matter is that for 14 years we have used a pro rata model, which is not a metrics at all. It is also not a transparent and it does not educate, it does not inform and it cannot be used to argue for enhanced funding. Because it tells us nothing other than that we are intent on perpetuating something that very few people think was in equilibrium in 1997 are else we would not have state trial court funding to begin with.

>> I agree there is strong with justice halls point that this is a firm foundation. It is not the end, but it is the foundation upon which we can build an efficacious model. And I respectfully suggest that it can be built in stages. And also implemented in stages. So that as it is being built and refined, we gradually incorporate into the processes of allocation so that we do not overshoot the mark and do something that is not prudent.

>> For example, the conversion of FTEs into dollars can produce information that is valuable if you treat it in the sense of ranges. If you try to drop a bright line and announced that everybody on one side is overstaffed or over resourced and the other is under, with the model as we have it now, I do not think that anybody would view that as being efficacious.

>> But if we applied it was some of the refinements that I know are in process, and then created ranges so that we could find outliers, we could begin to address those areas where we are most

vulnerable Perko not only that, but we begin to learn. By applying a model, you begin to develop transparency. You begin to get feedback.

>> My view is that a workload assessment model leads to performance metrics, which, after all, are repeatedly observed in the trial court finding out of 1997. It is not something that we have succeeded with so far and it is so -- and it is where we are most vulnerable.

>> The the folks that I speak with, I cannot answer well when it comes to this. When it comes to what will the outcome be if we give you X dollars. It is very difficult to quantify. Will this allow me to give exact answers? No, not as it stands right now but it will enable me to say more than what I can say right now in your behalf.

>> Over time, I am firmly convinced that not only will this process evolved and so we can use it more concerning the total allocation, but it will also enable us to something that we have not been able to do at all in 14 years. And that is to aggregate that information so that we can show true branch wide need Perko we can actually articulated in verifiable numbers instead of simply in anecdotes.

>> Anecdotes as people attention and their crucial because I have to do with our customers or users, but in the end, when it comes to successful advocacy for budget and budget stability over time, we need to have that metrics circumstance. I did not mean to get on a soapbox but, to me this presents a bright and shining opportunity for us. And a comparison with what we relied on previously, it presents a key that will unlock the door.

>> I took a course in statistics in college and that is why I went to law school. [laughter]

>> I am curious -- I could see how comparing other states system they have, many are County funded, etc., it is like comparing apples to oranges. But hasn't been any consideration to the federal system? In other words, the manner in which the feds assess caseload and allocation from one federal district or to another Perko because I could visualize certain federal district courts in highly urban areas would end up receiving more money because of more time to federal district courts in a more rural area. So I was just curious as to how they do it and whether we would benefit from utilizing some of their thoughts.

>> I do not know all of the details of the federal model but it is a weighted caseload model similar to ours. I think the question with anything like this is when you have a caseload that includes things like bankruptcy courts, a completely different beast than what we have at the state level, they have weights that relate to bankruptcy proceedings. So they have a weighted caseload model for different types of courts.

>> Apart from that, I do not know the details. We did meet with staff at the US AOC and Washington DC and I was there for conference and we took the opportunity to meet with their workload. -- People. They do workload monitoring so they have teams of step the car on the district court and document the workload of staff on a regular basis. They have a circuit that they

travel to go to the district courts and evaluate what is going on E I do not know how that feeds into the budget process but that is how they do their workload evaluation Perko.

>> Is the organization that makes the allocation to the different federal district courts? Do you happen to know?

>> I just wanted to jump in. The methodology subcommittee is not looking at various components. One of the components is elements that make up the distribution model in the federal system. So it is not -- we do not know which model works best but we are trying to take into consideration some of those key components to see how it fits within our structure.

>> Thank you. I have been a member of the SB 56 working group since its inception and the resource allocation study even prior to that. I have been wrangling with this problem for a long time. I just want to support everything that Judge Oxley has reported today. Judge Oxley said if you are asking yourself questions right now, we asked ourselves all those aims questions.

>>, Many years with grappling with how we come out with a fair way of measuring workload in courts, I have been a believer of what we have been developed and I have been a challenger of what we have been developing. I used to always -- what about population, want registered by population?

>> I do want to support what is posed to you to consider tomorrow. I know we cannot get really hooked up on the fact that it is averages and where people land and we had the same debate. But keep in mind that in addition to the averages, we have the Delphi group. We had the checks and balances where we could put checks and balances to really try to look at if we felt comfortable and if we were close.

>> I really encourage you to study the materials and take a look at anything that came into coming up with these weights. When Judge Oxley led us into a momentous decision last month to come up with this model for a recommendation, she emphasized -- and I helped -- I think what helped Leah's decision, to recognize that we have to start somewhere. This is the starting place. This model will continue to evolve. We will continue to peel back the layers and look at we continue to use this model. So that we can see what is the difference Trina courts, what is effect, how do we build those pieces into the model. And I think we have to keep that in mind.

>> I just really want to encourage everyone to take a look. There's been a lot of work done. We have to start somewhere. If we adopt this methodology, then the real tough work starts with them. And we want to be able to support them in their efforts as well. I just wanted to acknowledge all the hard work that has gone into it and to support everything that is been said here today and to encourage you to look at the materials and ask questions so that you can feel comfortable tomorrow when we make a decision on this issue.

>> Before I came back to Orange County, I spent a lot of time consulting. Two of the states I've visited were New Jersey and Florida who both went to state funding before we did. They both

had formula systems, neither of them as good as these, and I would not recommend using either one of these. The people in Florida were very unhappy with the structure.

>> In a sense, this is the best there is. I will not go as far to say as the best there is nothing else that anybody else is using out there. This is valuable and that kind of sense. I worked with Minnesota when they got the numbers back and they were saying wiser so much difference between courts. What is going on to try to identify what best practices you can use to private sure to try to bring that spread down small up and we were only sort of successful. Minnesota is a lot smaller and more consistent. The biggest court is probably about as big as San Francisco so it is not the same scale issues that we have here.

>> I'm a little concerned that you folks keep saying we are not going to use is for allocation, all I hear out of the judges as we need an allocation formula. We will be developing an allocation formula. This will be part of that allocation formula. That is all we have, let us not kid ourselves. I understand what your concerns are and I have a lot of same concerns about one you start going from a statewide average to an in court average, it gets less accurate. Those court to court averages we will use for the allocation portion and that is where it is less accurate, not inaccurate, but on a statewide level. There are some problems there.

>> Tomorrow we will talk about this more. Another one of my concerns is your two very different methodologies your. Your case weights that were used to come up with a number of people you need to do the work in the core court support stuff. Those case weights are based on huge sampling and it is a great sampling and I like the way the data was collected. But the method of getting the rest, the supervisor ratio, the manager ratio, none of that is base unweighted cases. That's just pure ratio.

>> I think we need to sort those out, take the model based on the weighted caseload but relook, not that what you guys have done is not valuable, but we have been grilling for Dag and his staff on the methodology so we totally understand. Sometimes we agree with and sometimes ran a gesture because we have not finished yet.

>> I think tomorrow one of the things that I want to talk about his let's take apart the weighted caseload but let's be more Kaisha about the ratio kinds of things. Can we look at some other things like the federal model, just to see where we want to go with that?

>> [inaudible]

>>[laughter]

>> There is no question that best practices if my court is taking 1,200 hrs. to process a felony and irises court is taking 400 hours, my CEO and I are going to want to know what do they know that we do not know? How can they tell us how to better manage our caseload? That is something that we already do. We are already cross-pollinating good ideas in various areas in terms of business practices. I think an individual court level, Alan, I agree with you, the average is not telling us anything necessarily. But if our average as an outlier, I think you have to say can we

withdraw from too many deviations and get a little bit closer to the center? Which is why also what colossal. [laughter]

>> -- Law school.

>> I really appreciate the work that you have done over the time ago we have all heard, I know how hard you work. All of the variations, all of the comments that a bit in the branch about the RAS model. I see for all of us when I say we understand your process because you had so many folks on it and because it was the subject of how the debate. Which friendly, is an honest and great process.

>> When I look at the model that we have recommended that you are discussing tomorrow it is like all assessment in the branch. It is very difficult to do. This assessment, like our previous assessment, is beneficial because it is based on our own fact given to us given to us -- by our own folks in the branch you know our facts. We do not have a choice in choosing our facts, they are what they are, they are embodied with the support with a sample size of 24 courts unknowledgeable people.

>> We may be happy what we think initially the assessment mission out, but it is the point that we must move forward from here. It is hard work. I have faith in the process that you put in for this effort. And I believe in our facts. Again, it is the beginning of a product that we will continue to oversee like we do I judicial Council. The issues never go away. They come back in some other permutation for another view or a more informed view. That is what we as judges do with cases anyway.

>> I appreciate all you have done. The presentation today was very good. And I hope that it got up to the branch into people that are listening and somehow that they did not Mrs. based on our technical logical glitch with the microphone. Thank you very much.

>> [Applause]

>> I would like to invite Judge Earl and Judge David [indiscernible] to give us an update. Thank you Judge Earl.

>> [inaudible]

>> Thank you. I told the Chief and Justice Miller that we would give just a brief update on the work of the subcommittee of the trial court budget working group that is working on developing an alternative funding allocation method rather than the pro rata methodology. Allowing us to go right behind Dag and Leah is helpful.

>> The reason that we thought this was so important at this particular time is because we are in a period in California where we have scarce resources. We can see the impact that has an impact has played out in different ways in different courts at different times. So it told us that that is in evidence that the historical funding that every court came into in the pro rata this division has not

met the needs with the aim of the trial court funding act which is to stabilize funding and allow access. So without important to tackle that at this time.

>> Last November, the trial court budget working group or subcommittee began discussing an alternative funding model. What has emerged from our discussions is a recognition that whatever model is used to categorize or assess needs, the more comprehensive budgeting is required to make reasoned and deliver but -- deliberate budgeting decisions. I want to share with you first offer was on the committee.

>> I have a roster of the funding methodology subcommittee members. I am trying to get it up on the screen for you.

>> I can tell you that is. From Orange County is Judge Tom Boris. From Alpine County is Presiding Judge David DeBoer. From Riverside County, Sherry Carter. Micelles. Also from Sacramento, Christina Folkers. Lasser County, Jake Chatters.

>> From Los Angeles, Judge Lee Edmund and Jack Clark, the executive officer. From you County, [indiscernible]. From San Mateo, Judge Beth Freeman.

>> Judge Ryan McCabe and his court executive officer, Linda [indiscernible]. Stephen Nash. From Santa Clara County, Presiding Judge Ryan Walsh and David Yamasaki.

>> We try to identify courts of different sizes. Courts from different regions among our state. I think so far we have worked fairly well together.

>> I did have two slides that I will put up on the board in a minute. I will work as promised on the objective of identifying a budget development and allocation process which provides a rational basis or estimating realistic trial court expenditure requirements based on factors that are beyond just workload.

>> As Alan Carlson mentioned earlier, I think the nervousness about the RAS model for us is we are going to rely heavily on RAS to assess workload needs but there are other components that will not be RAS-based and we do not want to necessarily be locked in to using strictly RAS because we think it is wider than that.

>> The first component of our process is an annual budget development process that identifies each court funding needs to go, which will in turn lead to an understanding of total straight trial court funding need.

>> The second component of the process is really an allocation process both on a statewide level and for individual trial courts. That's why we have been primarily focused on the budget development process. We will put up the first slide that shows you the flowchart on how we envision this working.

>> Step one in our budget development process -- and this is just a framework, it is kind of a high-level view of what we are working with here. Step one involves a determination of standard

personnel costs that all courts have. It involves identifying staffing needs and the costs associated with those needs. Staffing needs include core court personnel during clerk of the court and related act office tasks associated with office cases and court rooms.

>> It includes [indiscernible] and there may be a few other bubbles that we had on the scrap. The last one includes core personnel engaged in an ministered of court functions, human resources, accounting, human resources.

>> The methodology for determining staffing needs is workload driven and most of the components are updated and RAS study that you heard about today.

>> These are as you can imagine incredibly detailed discussions. As we go through these cost drivers, we tried to determine how to adjust salaries for differences in cost of living. Identifying what benefit ratio should be used, both of each we agree are necessary components in the budget development process.

>> Step two involves the determination of operating equipment and expenses at all courts have. These expenses include things like supplies, furniture's and other operating equipment, information technology and various types of services necessary in order to meet the needs of the court.

>> The determination of each court OND means -- one of the issues that were discussion is whether ratios should vary depending upon court size. Whether there should be several formulas for things like IT equipment and furniture replacement.

>> Identifying both personnel and nonpersonnel costs allows each court to determine their baseline costs, which is the purple box that says ever be C. There are a few more steps involved in identifying total funding needs.

>> Step three involves identifying cost court has that are associated with programs or services that are funded from local revenues or other sources. Since actual costs are reimbursed, there determine separately from the personnel and 08 and he cost which are paid from the trial court trust fund.

>> These includes costs associated with providing certain types of services to litigants, lawyers or the public. Examples include enhanced collections or providing remote access to court records, copying costs, name search service -- those courts that have these cars, and not all do. But those that do in estimated expenditure to provide the services arrive at a baseline cost.

>> The next slide, you will see set for identify cost associated with program and services funded for other sources. For example, there are several programs which are funded through dedicated revenues, grants or other federal funding, like commissioners, self-help programs. There are also several categories of expenses which are budgeted and then funded at a statewide level. For example juror fees, interpreter costs and indigent defense counsel cost.

>> Cost that courts are reimbursed for and should not -- you might wonder why would include those reimbursed for them. We have to determine the total funding need for the court include those reimbursed for them. We have to determine the total funding need For the Court, Perko some of these cost will be back out later when we determine the allocation for the total talk court trust fund money that we received.

>> There is one more step that we believe is crucial in a budget development process and that is step five. It involves the abilities for courts to identify cost that are unique to their particular court in which additional resources are needed to fully fund the court and achieve equity in funding across courts.

>> We are wrestling with the concept of whether these should be ongoing or one-time expenditures. One example is geography. Those counties that require branch courts to serve outlying populations have different needs than those without geographic challenges. Another example might be that some courts have a complex legation department that requires additional staff.

>> A smaller court might find itself Amalek Mariposa County did with the high profile that begs for more security.

>> There is no formula or methodology to guide us here. How we envision this process working as a courts would submit a request and if I justification for additional funding. What we have not yet determined and what we are having ongoing discussions about is the details. Such as the process, criteria for making regress, notification to be required, the review process, which body would read -- conduct a review. Should request bailout for one-time expenditures or ongoing expenditures.

>> As you can see there's plenty of work left for us to do. Just to finish up the budget development process and then we can turn our focus on the allocation process, which actions should be much easier.

>> The budget development process is fairly technical as we try to identify all the work we do, the staff needed to perform that work and then figure out the cost associated with the work and the staff. It has been an interesting discussion, at times it has been difficult, very robust, but I can say that every member of the subcommittee believes in the work that we're doing. They are committed to working a model that provides for fair and equitable funding for each of the 58 trial courts.

>> We are on an aggressive timeline and aim to bring a recommendation to the judicial Council at its April meeting. Our subcommittee has been meeting every two weeks is first of January. Some of us have been meeting every week Perko our last scheduled meeting is March 18 and our goal is to agree on what we see as phase 1, a budget process of trial courts can be used to identify total funding needs.

>> I say this one because we recognize that we do not have the gift of time. We are committed to making a recommendation that has integrity but this budget process will need to be refined over the course of several years, just as RAS has been.

>> One or sub many agrees on a model, myself and other members will participate in regional PJ NCEO meetings in the last week in March and the first week in April. We have scheduled an all-day meeting of the trial court budget working group on April 9 to review and take action on our recommendation. Wish us luck and we are happy to take any questions.

>> Thank you very much. Judge Earl was kind enough to give her time on the trial funding work last Tuesday and we saw this flowchart and found it of great interest. One thing that you said that, year, frankly, I thought that was good news. That is once the subcommittee that is during the work that you inform us about today reaches the so-called and number for each court, I think you said that after that, allocation of funds would be easy. I am curious about that, frankly.

>> I think -- the allocation of the resources we receive is certainly, I think, easier to determine than how much money each courts need because there is more complexity in the budget development process. We get the money we get and we have to determine based on each courts need what percentage of that they get. I will turn to one of the subject matter experts in this.

>> Thanks. I just wanted to speak briefly. I know in the overview that Judge Earl provided many of the components are identified in categories. I will tell you that we are trying to determine the specific details in high levels of granularity that require the assistance of [indiscernible] and his staff. We are looking at Phoenix model, we are looking at workload numbers and we are trying to identify precisely all of the elements that are required for courts to operate within the resources that we have. We do not want to exclude any of the components. And I think with Judge Earl was leading toward is once we identify with the actual cost are, it makes it easier, not easy, but certainly easier to be able to distribute the moneys using actual numbers. Perhaps using certain formulas. And especially when some of the elements include nuances that may be unique to a particular court that would not be another's.

>> Do I understand then that when the subcommittee presents its [indiscernible] and April, that will include allocating the money? A method for allocating the money?

>> I think that is the objective, to provide a framework.

>> Okay.

>> Judge Ellsworth.

>> I think this is nothing short of courageous. I know that it is a very difficult topic and we have been dancing around for a long time. I for one think that there RAS model that was presented should be a tool that you are able to utilize in your presentation to us. I really think -- as we look at this tomorrow in terms of that little piece we have to be very mindful of the hard work of this group and let it come to completion so that we can see in totality what it is that is being recommended. When I look at your roster and a cross-section of who is involved in the hours

that you are putting in, I do believe that the recommendation that'll come out of this group -- at least has been vetted. We have heard from a cross-section of those individuals that need to be heard from and also you have a loud for not just one piece of the puddle to be solved but the entirety of starting somewhere. We have not looked at this in such a long time and I think this makes great strides in talking to folks like Diane Cummings and some of these others. I think that that is the type of thing that they're looking for from us Perko that kind of leadership to take a look at this. I think this is a great work and we need to let them do their work.

>> Historically we know this is never been done in the branch. In 1994/1995 when the funding mechanism was frozen, it was too difficult and the bigger issue was state court funding. Agreement to state -- get to state court funding meant that we will not address some of these issue now, there are so many issues related to that, that this allegation was never really addressed. Now is the time. We knew last year that unless we addressed allocation, he could not and would not be seen any more funding until we address issues in our own house.

>> This is courageous. And it will be trend setting for the branch in terms of being the start. It will not be engraved in stone that this is what it will be.

>> Can I just also fell out of thank you guys not only have we completely overtaxed [indiscernible] but we have completely overtaxed Dag and Leah . They have had, as you can see, a lot of other things to do.

>> [Applause]

>> Any final comments before we adjourned to start up again tomorrow? Thank you all.

>> Thank you, Maria.

>> [Event concluded]