



JUDICIAL COUNCIL OF CALIFORNIA

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on February 19, 2015

Title	Agenda Item Type
Technology: Programmatic and Staffing Changes to Trial Court Programs	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
N/A	February 19, 2015
Recommended by	Date of Report
Judicial Council Technology Committee Hon. James E. Herman, Chair	February 9, 2015
Trial Court Budget Advisory Committee Hon. Laurie M. Earl, Chair	Contact
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Executive Summary

The Judicial Council Technology Committee and Trial Court Budget Advisory Committee jointly recommend that the Judicial Council approve changes to a number of trial court–related statewide technology programs that would achieve short-term, medium-term, and long-term savings in the State Trial Court Improvement and Modernization Fund; that the council’s Information Technology office consider reducing as many external contractors as possible; and that the council consider creating a working group, or designating an existing committee, to focus on information technology efficiencies and cost saving measures for smaller courts.

Recommendation

On January 15, 2015, the Trial Court Budget Advisory Committee (TCBAC) unanimously adopted, and on January 16, 2015, the Judicial Council Technology Committee (JCTC) unanimously adopted, the following recommendations:

1. The Judicial Council should direct the Judicial Council Technology Committee to oversee the implementation of the proposed actions outlined in Attachment 4. Short-term actions (within 12 months) will result in a savings of approximately \$1.0 million. However, medium-term (12–24 months) to long-term (24–36 months) actions are anticipated to result in additional savings. Long-term actions should be initiated immediately due to the length of time required for analysis, implementation, and transition from existing to new solutions.
2. The Judicial Council Information Technology office should consider reducing as many external contractors as possible.
3. The Judicial Council should create a working group, or designate an existing advisory committee, to focus on information technology (IT) efficiencies and cost saving measures for smaller courts.

Previous Council Action

In March 2012, the Judicial Council voted to terminate deployment of the California Court Case Management System (CCMS) as a statewide court technology solution. The council directed the CCMS Internal Committee to work in partnership with the trial courts to develop timelines and recommendations to the council for strategies to assist trial courts with existing critical case management system needs, to establish a judicial branch court technology governance structure that would best serve the implementation of technology solutions, and to provide technology solutions in the near term to improve efficiencies in court operations by maximizing the value of document management systems, e-filing capabilities, and e-delivery services for the benefit of litigants, attorneys, justice partners, and the public.

In June 2012, the Judicial Council updated the name and structure of the CCMS Internal Committee to the JCTC to be in alignment with the Judicial Council direction. The new committee charge was to oversee the council's policies concerning technology—with responsibility in partnership with the courts for coordinating with the Administrative Director and all internal committees, advisory committees, commissions, working groups, task forces, justice partners, and stakeholders—on technological issues relating to the branch and the courts.

In October 2012, the JCTC hosted a Judicial Branch Technology Summit where branch stakeholders assembled for a collaborative discussion on branch technology governance, vision, and planning. The discussions and feedback from the summit reinforced the need for a new governance and funding model and a long-term strategic plan for branch technology.

In February 2013, the Chief Justice authorized the creation of the Technology Planning Task Force (TPTF). The task force was charged with working collaboratively to define judicial branch technology governance in terms of statewide versus local decisionmaking, to develop a strategic plan for technology across all court levels that provides a vision and direction for technology within the branch, and to develop recommendations for a stable, long-term funding source for supporting branch technology, as well as a delineation of technology funding sources.

In January 2014, the Judicial Council approved the concept of the court technology governance and strategic plan, prepared by the Technology Planning Task Force, based on the information provided in the executive summary for the governance and funding model and plans.

At its April 24, 2014 business meeting, the council tasked the JCTC to develop a plan to eventually eliminate subsidies from the Trial Court Trust Fund and State Trial Court Improvement and Modernization Fund (IMF) to courts for V3 (civil, small claims, probate, and mental health) case management system and Sustain Justice Edition costs.

In August 2014, the Judicial Council approved the Court Technology Governance and Strategic Plan. The chair of the JCTC stated that the plan would return to the council with updates related to language access.

In October 2014, the Judicial Council approved the Update to the Court Technology Governance and Strategic Plan.

Rationale for Recommendations

Changes to Trial Court Information Technology Programs Funded from the IMF

Background

A September 2014 review of the fund condition for the IMF indicated a projected deficit of approximately \$12 million dollars. This includes an estimated funding reduction in overall funding of approximately \$6 million for fiscal year (FY) 2015–2016 compared to the previous fiscal year. Since IT expenditures are almost 50% of the IMF expenditures, Judge James Herman, Chair of the JCTC, and Judge Laurie Earl, Chair of the TCBAC, established a working group comprised of trial court judges, chief executive officers, chief information officers, and members of Judicial Council IT and Finance staff to identify options for reducing IMF-funded IT expenditures.

Attachment 1 represents projected IMF expenditures of approximately \$72 million for FY 2015–2016. Attachment 2 illustrates the 12 branchwide trial court IT programs that are funded by the IMF and managed by the Judicial Council IT office. As reflected in Attachment 2, the projected allocation for IT programs in fiscal year 2015–2016 is approximately \$36 million. Attachment 3 includes short descriptions for each of the programs.

Analysis

The working group focused their analysis on the first eight programs listed in Attachment 2, which represent 96% of the proposed IT expenditures for 2015–2016. They evaluated the following options for each of the programs with the associated considerations:

- ***Fund program as proposed***—Do not reduce expenditure. Program is a high priority to the courts. One of eight programs was identified in this category.
- ***Postpone expenditure***—Expenditure can be postponed to the future. Three of eight programs were identified in this category.
- ***Launch technology workstream to investigate new solutions***—The Judicial Branch Tactical Plan for Technology (2014–2016), approved by the Judicial Council at its public meeting on August 21–22, 2014, includes recommendations to launch projects (workstreams) to identify new, efficient, cost-effective technology solutions. Two of eight programs were identified in this category.
- ***Trial courts provide service to other courts***—Identify one or more trial courts to provide a branchwide IT program/service to the other courts. Zero of eight programs were identified in this category due to high cost and effort.
- ***Trial courts absorb costs for programs***—Transfer cost of program to individual courts and have them absorb the cost in their existing budget. Zero of eight programs were identified in this category due to constraints on existing trial court budgets.
- ***Cancel/sunset program***—Eliminate or sunset program based upon JCTC recommendations. Two of eight programs were identified in this category.
- ***Renegotiate contract agreement with vendor***—Evaluate current business requirements against existing contracted services to determine if contract can be renegotiated to reduce costs. One of eight programs was identified in this category.

The working group identified short-term, medium-term, and long-term actions designed to reduce program expenditures. These proposed actions, also summarized in Attachment 4, are as follows:

Short-Term Actions (within 12 months)

1. **Interim Case Management Systems**—Postpone noncritical Sustain projects with no major impact on courts, resulting in a \$100,000 savings.
2. **California Courts Protective Order Registry (CCPOR)**—Continue deployment if grant funds are available. Do not fund deployment from IMF, resulting in a \$332,000 savings. If grant funding is not available, CCPOR deployment would be delayed at four–six courts.

3. Jury Management System—Postpone spending funds, which would delay noncritical upgrades to local jury management systems resulting in a \$600,000 savings.

Medium-Term Actions (12–24 months)

1. Enterprise Policy/Planning—Determine if the Oracle branchwide license agreement is aligned with current business needs or requires renegotiation. No impact to courts in the short term but potential savings in the future.

Long-Term Actions (24–36 months)

1. California Courts Technology Center—Initiate Next Generation Hosting workstream (project) as outlined in the Judicial Branch Tactical Plan for Technology (2014–2016) to identify cost reduction and service improvement opportunities. No impact to courts in the short term but potential savings and effort required to implement and migrate to new solutions in the future.
2. Data Integration—Include data integration services as a component of the Next Generation Hosting work stream described above. No impact to courts in the short term but potential savings and effort required to implement and migrate to new solutions in the future.
3. Interim Case Management Systems—Align V2, V3, and Sustain Justice Edition case management systems with JCTC strategy. Impact and benefits to the courts to be identified by the JCTC.
4. Testing Tools–Enterprise Test Management Suite—The elimination or reduction of testing tools for CCPOR and V2 and V3 case management systems to be aligned with the JCTC strategy for Interim Case Management Systems. No impact to the courts in the short term but new testing tools for CCPOR would need to be identified.

In the short term, it is projected that approximately \$1 million in savings can be achieved by delaying noncritical Sustain projects, delaying CCPOR deployment to four–six courts, and delaying noncritical jury system improvements.

In the medium term, it is important to determine if there would be potential savings by renegotiating the Oracle enterprise licensing agreement. Savings are unknown until this analysis is done. This project is complex and will require 18–24 months to complete; thus, it is recommended that this project commence immediately.

In the long term, it is anticipated that major savings can be achieved by reevaluating the CCTC data center services and data integration services, and the costs associated with those services. There are new services and newer technology the branch could potentially adopt that could be more cost-effective. The majority of potential savings resides in these two largest IT programs.

The task of reevaluating these services and associated costs is very complex and will require 24–36 months to complete; thus, it is recommended that this project commence immediately in order to realize potential savings in the next couple years.

Reducing IT Contractors

In their analysis, the working group identified the opportunity to reduce costs by reducing external contractors. It was discovered that IMF IT personnel costs represent about 18% of the total costs of the four most expensive IT programs. There is an equal number of permanent staff compared to contracted staff assigned to these programs. The cost of the contracted staff (\$3.4 million) is about 60% higher than the cost of permanent staff (\$2.1 million). Contractors perform a range of services not covered by existing staff. Analysis indicates potential cost savings of 35% if all contractors were replaced with permanent staff. Therefore the JCTC and TCBAC recommend the consideration of the reduction of external contractors.

IT Efficiencies and Cost Saving Measures for Smaller Courts

In the course of the working group's analysis, it was determined that there is a need to provide IT support and consulting to some of the smaller trial courts in order to assist them in identifying and achieving efficiencies and cost savings opportunities. While such action would not result in reduction of IMF IT costs, it would benefit the smaller courts to explore these opportunities at a time when funding for IT programs will be reduced, and it would assist the branch in the overall management of costs. Therefore the JCTC and TCBAC recommend the creation of a working group, or the designation of an existing advisory committee, for such purpose.

Comments, Alternatives Considered, and Policy Implications

The analysis related to proposed changes to information technology programs was reviewed and positive input provided by trial court IT managers who attended the Court Information Technology Management Forum meeting on October 17, 2014.

Attachments

1. Attachment 1: IMF—Fund Condition Statement (excerpt)
2. Attachment 2: IMF—IT Program Allocation (as of September 2014)
3. Attachment 3: IMF—IT Program Descriptions
4. Attachment 4: IMF—IT Proposed Actions

**IMF -- Fund Condition Statement
(excerpt)**

			Estimate as of 10/9/2014		
Line No.		FY 2013-14 (Year-end Financial Statement)	2014-15	2015-16	Difference (Column D-C)
		B	C	D	
3	Adjusted Beginning Balance	49,237,913	29,333,045	3,631,046	(25,701,999)
15	Net Revenue/Transfers	47,428,770	43,150,350	62,106,425	18,956,075
16	Total Resources	96,666,683	72,483,395	65,737,471	(6,745,924)
18	Program and Project Allocations	69,878,695	71,466,600	71,732,095	265,495

**IMF – IT Program Allocation
(as of September 2014)**

		FY 2013-14	FY 2014-15	FY 2015-16
	Project and Program	Approved Allocation	Approved Allocation	Estimated Allocation
		A	B	C
1	Telecommunications Support	15,608,480	11,705,000	10,649,166
2	California Courts Technology Center (CCTC)	9,465,100	10,487,200	10,583,037
3	Enterprise Policy/Planning (Statewide Development)	5,122,800	5,268,500	5,220,302
4	Data Integration	3,906,900	3,903,600	3,850,213
5	Interim Case Management Systems	1,650,600	1,246,800	1,996,034
6	California Courts Protective Order Registry (CCPOR)	675,800	585,600	1,047,954
7	Testing Tools - Enterprise Test Management Suite	582,500	624,300	619,699
8	Jury Management System	600,000	-	600,000
9	CLETS Services/Integration	515,200	433,400	513,620
10	Justice Partner Outreach / e-Services	572,000	200,700	442,957
11	Uniform Civil Fees	385,000	343,000	366,544
12	Adobe LiveCycle Reader Service Extension	129,800	133,700	141,000
	Total, Information Technology	<i>39,214,180</i>	<i>34,931,800</i>	<i>36,030,526</i>

IMF – IT Program Descriptions

1. **Telecommunications Support** - This program develops and supports a standardized level of network infrastructure for the California superior courts. The core objective of the program is to maintain the investment made in the original telecommunications project by updating local network equipment that is no longer supported due to aging technology.
2. **California Courts Technology Center (CCTC)** - The CCTC program provides a Judicial Branch Technology Center (data center) for use by all courts and a comprehensive disaster recovery program for court management systems, including Phoenix Financial and Human Resources Systems (SAP), California Courts Protective Order Registry (CCPOR), and Interim Case Management Systems, (CMS V2, CMS V3, and Sustain Justice Edition). The CCTC also provides a complete suite of IT services to five hosted Superior Courts (Madera, Modoc, San Benito, Lake, and Plumas). The hosted courts are charged annually for their services via the Schedule C process.
3. **Enterprise Policy/Planning (Statewide Development)** - This budget primarily funds the Oracle Branchwide License Agreement (BWL), which includes four components: Enterprise Database, Advanced Security, BEA WebLogic Suite, and Identity Manager with additional options. In addition, this budget funds one enterprise architect for the Enterprise Architecture (EA) program, and funds the Innotas project portfolio management tool.
4. **Data Integration** - The Data Integration (DI) program currently provides services that enable the secure and efficient exchange of information between the courts and their justice and integration partners.
5. **Interim Case Management Systems** – This program provides support for the Criminal and Traffic Case Management System (V2), the Civil, Probate and Mental Health Case Management System (V3), and Sustain Justice Edition.
6. **California Courts Protective Order Registry (CCPOR)** - CCPOR creates a statewide repository for restraining and protective orders that contains both data and scanned images of orders that can be accessed by judges, court staff, and law enforcement officers. While usually funded by a grant, those funds may not be available for 2015-2016.
7. **Testing Tools - Enterprise Test Management Suite** - The Enterprise Test Management Suite (ETMS) is a program that provides a suite of software quality assurance tools, staff and testing expertise for CCPOR, the Criminal and Traffic Case Management System (V2) and the Civil, Probate and Mental Health Case Management System (V3).
8. **Jury Management System** - Jury grant program for trial courts to improve their jury management systems. Per Government Code section 77029(h), these funds can only be used for jury improvement.

Attachment 4

IMF – IT Proposed Actions

	Project and Program	Short Description	Proposed Action	Time frame*	Impact	Cost Savings
1	Telecommunications Support	LAN/WAN Network Refresh	Fund as proposed.		None.	None
2	California Courts Technology Center (CCTC)	Judicial Branch Data Center hosted by SAIC	Initiate Next Generation Hosting Tactical Plan workstream to identify cost reduction opportunities.	Long term	Complex analysis and transition requires work to start as soon as possible.	To be identified
3	Enterprise Policy/Planning (Statewide Development)	Oracle Branchwide License Agreement	Determine if agreement is aligned with current business needs or requires re-negotiation.	Medium term	None in short term. Potential savings in future.	To be identified
4	Data Integration	Tibco Integration Services Backbone (ISB)	Initiate Next Generation Hosting Tactical Plan workstream to identify cost reduction opportunities.	Long term	Complex analysis and transition requires work to start as soon as possible.	To be identified
5	Interim Case Management Systems	V2, V3, Sustain Justice Edition Case Management Systems	Postpone non-critical Sustain projects.	Short term	Delays non-critical projects.	\$100K
			Align with Judicial Council Technology Committee strategy.	Long term	To be identified.	To be identified
6	California Courts Protective Order Registry (CCPOR)	Judicial Branch Protective Order Registry	Continue deployment if grant funds are available. Do not fund deployment from IMF.	Short term	Delay deployment to 4-6 courts if grant funds not available.	\$332K
7	Testing Tools - Enterprise Test Management Suite	Testing tools for CCPOR, V2,V3 Case Management Systems	Align with Judicial Council Technology Committee strategy.	Long term	None.	To be identified
8	Jury Management System	Jury Improvement Grant	Postpone spending funds.	Short term	Delay non-critical jury improvements.	\$600K
Total Short-term Savings						\$1.0M

*Short term = within 12 months; Medium term = 12-24 months; Long term = 24-36 months.