

To: Executive and Planning Committee

From: Judge Charles Horan, ACJ

Date: 12/8/10

The following represents the general nature of ACJ's expected comment on Agenda Item #15 for the 12/14/10 Council meeting.

The Alliance of California Judges objects to any allocations proposed for CCMS as part of the presentation and consideration of Item 15 of the Judicial Council agenda for December 14, 2010. It appears to us, in the time available for consideration, that this recommendation proposes an allocation of \$106 million in CCMS related expenditures, almost \$88.0 million coming from the Trial Court Trust Fund.

CCMS has no future funding from the Legislature, and it is unlikely to receive any in this climate.

After seven years of development, the CCMS system runs only a small portion of case management in each of only seven counties— Fresno, Los Angeles, Orange, San Diego, Sacramento, San Joaquin, and Ventura. In Los Angeles the system only operates in one small courthouse, processing roughly 8 small claims cases per day. Sacramento has reported significant problems with CCMS directly related to connection to the central data management server in Tempe, Arizona (CTCC) which is a hallmark of the CCMS proposal. These problems have been so significant that Sacramento has demanded revisions that allow for local control of its case management data.

Recently, the Office of the Chief Information Officer found that the AOC has not performed a proper business case for the CCMS project that assesses complete baseline costs. The OCIO added that the business value achieved is unclear, that project management is driven by the multinational product vendor (Deloitte) rather than the AOC, and that the AOC does not have appropriate project management practices in place. The OCIO has opined that if courts do not agree to implement the system, its value will be limited.

It is completely irresponsible for the Judicial Council to allocate these funds at this time, and upon such short notice to the trial courts and to the public. All indications are that the trial courts will face Draconian further budget cuts even in the current fiscal year, beyond those envisioned even four weeks ago. Additionally, the incoming Governor has promised his own across-the-board cuts. The current Governor has declared a state of fiscal emergency and called a special budget session because of an unanticipated, additional \$6 billion deficit

in the state's budget. Budget adjustments will be made and a further reduction in judicial branch funding is almost a certainty. At this point, CCMS funding should be considered discretionary and any expenditure decision should await the outcome of the ongoing budget negotiations. Steve Nash's budget presentation at the last judicial council meeting made it clear that these funds are depleted, and that revenues are not meeting expectations.

This staff report in support of agenda item #15 was publicly released on the late afternoon of December 7, 2010, and there has been insufficient time for the trial courts to be made aware of this proposal and respond to it. Further, California Rule of Court 10.6(d) requires that requests to speak to the council on this matter be filed 4 business days before the meeting, leaving only a ridiculously insufficient 24 hours from the posting of the agenda item's supporting materials within which to respond.

The recommendation by the AOC for the expenditure of these funds makes no mention of Government Code Section 68085 and the restrictions it places on using TCTF and TCIF for technology projects without the consent of the trial courts. Without a clear answer to the question of whether the council even has the lawful authority to authorize these expenditures, use of these funds without consent of the trial courts could place the council members in legal jeopardy.

This recommendation seems to be the type of funding request that should be based on recommendations from the CCMS Governance Committee, which the AOC was supposed to form more than 6 months ago, and about which we have heard nothing further.

The request for funding raises a number of questions related to the timing of the AOC's decision to retain a consulting firm, Grant-Thornton, to conduct a cost-benefit analysis of the CCMS project. Presumably, the AOC felt the analysis was necessary to justify the projected costs of the system. This prompts the obvious question: How can the AOC request an expenditure of almost \$90 million in TCTF without even knowing whether the benefits of the project will outweigh its costs?

Finally, the Bureau of State Audits Report is due in January. This report will provide a comprehensive review of the CCMS project to date. Again, it seems reasonable to put any decisions regarding further funding of CCMS on hold until the auditor's report is released and the AOC, Council, the state's Judges, and the public all have a chance to hear from a neutral third party on this most important matter.

Last fiscal year, the courts were forced to close because of a lack of funds. Had the council not appropriated roughly \$169,000,000 for CCMS in October of 2009, closures would not have been necessary. If the council again allows a raiding of

the Trial Court Trust Fund and other special funds, it appears that additional closures will be inevitable.



Superior Court
of the State of California
In and For
The County of Placer
Roseville, California

In Chambers of
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PRESIDING JUDGE
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CHAMBERS OF THE
CHIEF JUSTICE

December 1, 2010

Hon. Ronald M. George
Chief Justice of California
Chair of the Judicial Council
350 McAllister Street
San Francisco, CA 94102-4797

Re: Jody Patel - Regional Administrative Director for the Northern/Central Office

Dear Chief Justice George:

We wish to make known our gratitude for the guidance, work, and assistance provided to the Placer County Superior Court by Jody Patel, the Regional Administrative Director at the Northern/Central Regional Office of AOC. We have been remiss in not acknowledging her superlative efforts on behalf of our court at an earlier point.

Briefly, you are aware that the Placer County Superior Court was faced with some critical challenges upon the departure of this court's previous CEO in 2009. The court was faced with some dire administrative and budgetary issues at that time. Fortunately, Jody was available to step in and provide immediate oversight as the court's interim CEO. She deftly handled necessary personnel changes and instituted necessary financial controls and policies. She was instrumental in recruiting and then mentoring our current CEO, Jake Chatters, who has worked diligently with Jody since June 2009 on several difficult budgetary, administrative, and labor issues confronting our court.

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Hon. Ronald M. George

December 1, 2010

We are pleased to say that our court's financial ship has been righted, for which we give Jody a large measure of credit. The court's financial position has improved to the point where statutory fiscal oversight by the Judicial Council may be ending soon. It is clear to us that Jody went well above the call of duty in helping our court. We often wondered how she was able to devote so much attention and skill to our court – while at the same time fulfilling her duties as a Regional Administrative Director. In our view, the Judicial Council and AOC are being well served to have Jody's experience, dedication and professionalism available to serve the courts and public.

Again, thank you for your efforts and attention in assisting the Placer County Superior Court.

Sincerely,



Hon. Alan V. Pineschi

Presiding Judge



Hon. Charles Wachob

Assistant Presiding Judge

AVP:CW:yy

cc: William C. Vickrey