

The background features a large, faint seal of the Judicial Council of California. The seal is circular and contains a central figure, likely a personification of Justice, holding a scale and a sword. The text "JUDICIAL COUNCIL OF CALIFORNIA" is visible around the perimeter of the seal, and the year "1926" is at the bottom. The seal is rendered in a light blue color that blends with the dark blue background.

**Trial Courts: Allocations from
the State Trial Court
Improvement and Modernization
Fund and the Trial Court Trust
Fund for 2015–2016**

Judicial Council Meeting

April 17, 2015

IMF Fund Condition Statement

#	Description	Estimated 2015-16				
		2012-2013 (Year-end Financial Statement)	2013-2014 (Year-end Financial Statement)	Estimated 2014-15	No Reduction to 14-15 Allocation Level ¹	Based on Subcommittee Recommended Allocations
		A	B	C	D	E
1	Beginning Balance	48,128,575	44,827,741	26,207,006	4,659,586	4,659,586
2	Prior-Year Adjustments	11,547,967	4,410,172	2,654,362	150,000	150,000
3	Adjusted Beginning Balance	59,676,542	49,237,913	28,861,368	4,809,586	4,809,586
4	<i>Revenues</i>					
5	50/50 Excess Fines Split Revenue	31,920,133	26,873,351	23,384,535	22,898,778	22,898,778
6	2% Automation Fund Revenue	15,753,200	15,242,700	14,471,411	13,916,340	13,916,340
7	Jury Instructions Royalties	518,617	445,365	484,063	484,063	484,063
8	Interest from SMIF	201,201	124,878	89,244	89,244	89,244
9	Other Revenues/SCO Adjustments	2,875	24,476	3,097	-	-
10	<i>Transfers</i>					
11	From State General Fund	38,709,000	38,709,000	38,709,000	38,709,000	38,709,000
12	To Trial Court Trust Fund (Budget	(23,594,000)	(20,594,000)	(20,594,000)	(594,000)	(594,000)
13	To TCTF (GC 77209(k))	(13,397,000)	(13,397,000)	(13,397,000)	(13,397,000)	(13,397,000)
14	Net Revenues and Transfers	50,114,026	47,428,770	43,150,350	62,106,425	62,106,425
15	Total Resources	109,790,568	96,666,683	72,011,718	66,916,011	66,916,011
16	<i>Expenditures</i>					
17	Allocation	71,923,000	73,961,680	71,466,600	77,724,737	59,372,100
18	Less: Unused Allocation	(7,123,067)	(4,082,985)	(4,412,049)	-	-
19	Pro Rata and Other Adjustments	162,894	580,982	297,581	297,581	297,581
20	Total Expenditures	64,962,827	70,459,677	67,352,132	78,022,318	59,669,681
21	Fund Balance	44,827,741	26,207,006	4,659,586	(11,106,307)	7,246,330
22	Revenue/Transfers Over/(Under) Exp	(14,848,801)	(23,030,907)	(24,201,782)	(15,915,893)	2,436,744

Background

- At its March 23, 2015 public meeting, the TCBAC considered the recommendations of its Revenue and Expenditure Subcommittee.
- The subcommittee reviewed:
 - all planned project and program allocations for 2015–2016
 - reduction options and impacts provided by the Judicial Council staff for IMF-funded programs and projects
 - The results of survey responses from 56 superior courts regarding the projects and programs funded by the IMF
 - the statutes that authorize the IMF and that authorized its predecessor funds



Applicable Statute

- *Judicial Administration Efficiency & Modernization Fund (GC 77213)*
 - Promote access, efficiency, & effectiveness in trial courts
 - Implement projects approved by the Judicial Council



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Applicable Statute

- *Trial Court Improvement Fund (GC 77209)*
 - Money in the fund may be expended to implement trial court projects approved by the Judicial Council



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Applicable Statute

- *State Trial Court Improvement and Modernization Fund (GC 77209)*
 - Moneys in the fund may be expended to implement trial court projects approved by the Judicial Council
 - Access – Efficiency – Effectiveness



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Background

- In considering allocation levels, the subcommittee identified the following criteria or principles to help guide the decision-making process:
 - no increase in funding above FY 14-15 levels
 - are programs/projects mandated
 - the number of courts served
 - value to the courts and the branch according to the survey results
 - the appropriateness of the IMF as the fund source
 - the impact program and project funding reductions would have on individual courts and the judicial branch



Recommendation 1

- Allocate \$59.372 million from the State Trial Court Improvement and Modernization Fund (IMF) in 2015–2016.



Recommendation 1(a)

- Allocate a net reduction of \$10.848 million from the total 2014–2015 allocation level approved by the council, including:
 1. A reduction of \$3.948 million for sixteen programs, with the reduction amounts ranging from 1% to 100% of the 2014–2015 level.
 - Data Integration, Enterprise Policy/Planning (Statewide Development), Telecommunications Support, Phoenix Program, Litigation Management Program, Mandated, Essential & Other Education for Judicial Officers, Faculty and Curriculum Development, CIP - Testing, Development, Recruitment and Education, Distance Learning, Essential/Other Education for Court Personnel, Essential/Other Education for Court Management, Domestic Violence - Family Law Interpreter Program, Court-Ordered Debt Task Force, CFCC Educational Programs, Trial Court Labor Relations Academies and Forums, Testing Tools – Enterprise Test Management Suite

Recommendation 1(a)

- Allocate a net reduction of \$10.848 million from the total 2014–2015 allocation level approved by the council, including:
 2. Maintaining fourteen programs at their 2014–2015 allocation level, totaling \$19.872 million
 - Trial Court Performance Measures Study (\$13,000), Jury System Improvement Projects (\$19,000), CFCC Publications (\$20,000), Budget Focused Training and Meetings (\$50,000), Interactive Software - Self-Rep Electronic Forms (\$60,000), Self-represented Litigants Statewide Support (\$100,000), Treasury Services - Cash Management (\$238,000), JusticeCorps (\$347,600), Trial Courts Transactional Assistance Program (\$451,000), Audit Services (\$660,000), Judicial Performance Defense Insurance (\$966,600), Regional Office Assistance Group (\$1,460,000)
 - Self-Help Center (\$5,000,000), California Courts Technology Center (OCTC) (\$10,487,200)

Recommendation 1(a)

- Allocate a net reduction of \$10.848 million from the total 2014–2015 allocation level approved by the council, including:
 3. An increase of \$625,300 for four programs from their 2014–2015 allocation level
 - Adobe LiveCycle Reader Service Extension
 - CCPOR
 - Uniform Civil Fees
 - Jury Management System



Recommendation 1(b)

- Allocate a net reduction of \$10.848 million from the total 2014–2015 allocation level approved by the council, including the total elimination of funding for 9 programs (\$7.4 million) and partial elimination (\$122,000) for one program
 - Human Resources – Court Investigations
 - Workers' Compensation Reserve
 - Audit Contract
 - Justice Partner Outreach/e-services
 - Alternative Dispute Resolution Centers
 - Complex Civil Litigation Program (see Recommendation #7)
 - Subscription Costs – Judicial Conduct Reporter
 - CLETS – Ongoing Maintenance (see Recommendation 1c)
 - Trial Court Security Grants Program*
 - Trial Court Procurement Program (partial)*

* If a priority for the council, fund from one or more construction fund.

Recommendation 1(c)

- Conduct an analysis on whether courts who wish to continue participating in the CLETS program could pay for their costs from the TCTF.
- Collecting payments from a court's TCTF account would require the JC to grant an exception to the council's statewide administrative infrastructure funding policy.



Recommendation 1(d)

- Reconsider the February 2015 decision to not allocate any funding in 2015-16 for the Jury Management Systems program.
- Allocate \$19,000 from 2015-16 jury instruction royalties to the Jury System Improvement Projects and any remaining royalties to the Jury Management Systems programs



Recommendations 1(e) and 1(f)

- (e) Impose a 15% reduction to **CJER** related allocation and allow the CJER Governing Committee to determine how to the assign the recommended \$1.202 million allocation among the five education program categories.
- (f) Impose a reduction of \$500,000 on the **Litigation Management Program** and direct that JC staff of the litigation management program bring before the TCBAC Revenue and Expenditure Subcommittee any claims whose costs cannot be covered within the amount allocated for funding consideration from the IMF.



Recommendation 2

- Eliminate IMF funding for the **JusticeCorps** program starting in 2016–2017, direct JC staff to work with all interested courts for possible participation in the JusticeCorps program starting in 2016–2017, and require courts to fund their share of the cost of the program.



Recommendation 3

- Consider shifting costs away the IMF starting in 2016–2017 as follows:
 - (a) Shift the costs of **translating domestic violence forms** under the Domestic Violence - Family Law Interpreter Program to the TCTF Program 45.45 Court Interpreter appropriation and advise the TCBAC of the council's decision by the council's October 2015 meeting.
 - (b) Shift the **"core central office" costs of the CIP** - Testing, Development, Recruitment and Education, Treasury Services - Cash Management, Audit Services, Uniform Civil Fees, and Regional Office Assistance Group programs to the Judicial Council's General Fund appropriation and advise the TCBAC of the council's decision by the council's October 2015 meeting, and



Recommendation 3

- Consider shifting costs away the IMF starting in 2016–2017 as follows:
 - (c) Have JC staff determine whether the costs of the **Trial Court Transactional Assistance Program** can be provided on a fee-for-service basis, having the courts reimburse the applicable state fund for services used, and have JC staff advise the TCBAC of their determination by October 1, 2015.



Recommendation 4

- Determine the viability of cost recovery for two programs by:
 - (a) Directing JC staff to determine if a cost recovery model with justice partners that share the materials can be established for the **CFCC Publications program** beginning in 2016–2017 and report back to the TCBAC by October 1, 2015, and
 - (b) Directing JC staff to explore a reimbursable option for the **California Courts Protective Orders Registry (CCPOR)** program in 2016–2017 and onward, evaluate the effects of the recommendation to have courts fund the CLETS program instead of the IMF on the CCPOR program, and report back to the TCBAC by October 1, 2015.



TCTF Fund Condition Statement

		FY 2012-13 (Year-End Financial Statement)	FY 2013-14 (Year-End Financial Statement)	FY 2014-15 (Estimated) - Without Savings	FY 2014-15 Estimated Savings	FY 2014-15 (Estimated) - With Savings (C + D)	FY 2015-16 (Estimated)
#	Description	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F
1	Beginning Balance	105,535,205	82,346,997	21,218,232	-	21,218,232	26,203,582
2	Prior-Year Adjustments	19,260,408	(2,688,884)	-	2,319,271	2,319,271	-
3	Adjusted Beginning Fund Balance	124,795,613	79,658,114	21,218,232	2,319,271	23,537,503	26,203,582
4	Revenue	1,400,425,164	1,374,450,890	1,329,580,637	-	1,329,580,637	1,333,991,351
5	<i>Maintenance of Effort Obligation Revenue</i>	<i>658,893,532</i>	<i>658,755,572</i>	<i>659,050,502</i>	-	<i>659,050,502</i>	<i>659,050,502</i>
6	<i>Civil Fee Revenue</i>	<i>408,289,141</i>	<i>384,474,327</i>	<i>358,115,125</i>	-	<i>358,115,125</i>	<i>355,545,183</i>
7	<i>Court Operations Assessment Revenue</i>	<i>156,455,686</i>	<i>149,578,279</i>	<i>140,834,114</i>	-	<i>140,834,114</i>	<i>131,251,329</i>
8	<i>Civil Assessment Revenue</i>	<i>149,100,873</i>	<i>154,784,402</i>	<i>146,573,331</i>	-	<i>146,573,331</i>	<i>162,148,023</i>
9	<i>Parking Penalty Assessment Revenue</i>	<i>25,194,026</i>	<i>25,360,674</i>	<i>23,582,039</i>	-	<i>23,582,039</i>	<i>24,682,669</i>
10	<i>Interest from SMIF</i>	<i>218,660</i>	<i>94,882</i>	<i>61,232</i>	-	<i>61,232</i>	<i>61,232</i>
11	<i>Sanctions and Contempt Fines</i>	<i>1,484,984</i>	<i>1,237,263</i>	<i>1,178,372</i>	-	<i>1,178,372</i>	<i>1,140,809</i>
12	<i>Miscellaneous Revenue</i>	<i>788,263</i>	<i>165,492</i>	<i>185,923</i>	-	<i>185,923</i>	<i>111,604</i>
13	General Fund Transfer	263,691,000	742,319,017	922,649,000	-	922,649,000	1,048,915,000
14	General Fund Transfer - Revenue Backfill	-	-	30,900,000	-	30,900,000	50,700,000
15	Reduction Offset Transfers	86,709,000	26,080,000	26,080,000	-	26,080,000	6,080,000
16	Net Other Transfers/Charges/Reimbursements	(1,639,392)	(4,256,953)	(4,427,415)	-	(4,427,415)	(3,886,415)
17	Total Revenue and Transfers/Charges/Reimbursements	1,749,185,772	2,138,592,954	2,304,782,222	-	2,304,782,222	2,435,799,935
18	Total Resources	1,873,981,385	2,218,251,067	2,326,000,454	2,319,271	2,328,319,725	2,462,003,517
19	Expenditures/Encumbrances/Allocations						
20	Program 30 - Expenditures/Allocations	23,610,313	22,672,123	21,679,128	-	21,679,128	16,896,500
21	Program 30.05 - Judicial Council (Staff)	3,692,227	3,764,788	4,418,152	-	4,418,152	4,879,000
22	Program 30.15 - Trial Court Operations	19,918,086	18,907,335	17,260,976	-	17,260,976	12,017,500
23							
24	Program 45 - Expenditures/Allocations	1,767,802,888	2,174,214,014	2,287,787,016	(7,600,000)	2,280,187,016	2,424,473,105
25	Program 45.10 - Support for Operation of the Trial Courts	1,344,726,911	1,737,394,306	1,833,101,698	(2,000,000)	1,831,101,698	1,964,094,781
26	Program 45.25 - Comp. of Superior Court Judges	304,004,469	310,788,986	325,831,000	(5,600,000)	320,231,000	330,011,000
27	Program 45.35 - Assigned Judges	24,624,238	25,496,371	26,047,000	-	26,047,000	26,047,000
28	Program 45.45 - Court Interpreters	84,483,339	90,983,918	94,560,000	-	94,560,000	96,296,000
29	Program 45.55 - Grants	9,963,931	9,550,433	8,247,318	-	8,247,318	8,024,325
30	Item 601 - Redevelopment Agency Writ Case Reimbursements	221,186	146,697	250,000	-	250,000	-
31	Total, Expenditures/Encumbrances/Allocations	1,791,634,387	2,197,032,835	2,309,716,144	(7,600,000)	2,302,116,144	2,441,369,605
32	Ending Fund Balance	82,346,997	21,218,232	16,284,311	9,919,271	26,203,582	20,633,912
33							
34	Fund Balance Detail						
35	Restricted Fund Balance	16,219,124	18,564,478	16,963,659	-	16,963,659	16,963,659
36	<i>Court Interpreter Program</i>	<i>12,924,808</i>	<i>14,734,148</i>	<i>14,734,148</i>	-	<i>14,734,148</i>	<i>14,734,148</i>
37	<i>Court-Appointed Dependency Counsel Collections</i>	<i>2,315,264</i>	<i>1,003,276</i>	<i>820,910</i>	-	<i>820,910</i>	<i>820,910</i>
38	<i>Redevelopment Agency Writ Case Reimbursements</i>	<i>1,778,814</i>	<i>1,632,117</i>	<i>1,382,117</i>	-	<i>1,382,117</i>	<i>1,382,117</i>
39	<i>Refund to courts of overcharges for JCC services</i>	-	<i>1,168,453</i>	-	-	-	-
40	<i>Sargent Shriver Civil Counsel</i>	<i>(799,762)</i>	<i>26,484</i>	<i>26,484</i>	-	<i>26,484</i>	<i>26,484</i>
41	Unrestricted Fund Balance	66,127,873	2,653,755	(679,348)	9,919,271	9,239,923	3,670,253
42							
43	Revenue and Transfers Annual Surplus/(Deficit)	(42,448,616)	(58,439,881)	(4,933,922)	7,600,000	2,666,078	(5,569,670)

Recommendation 5

- Allocate \$139.37 million from the Trial Court Trust Fund for specific programs and projects, including:
 - \$1.259 million in allocations for three programs previously paid for from the IMF: **court investigations** (see recommendation 1b), **CLETS program** (see recommendation 1c), and **Other Post-Employment Benefits Valuations**,
 - a reduction of \$1.5 million for reimbursement of **courts' eligible jury costs**, and
 - for the **reimbursement of jury costs**, direct JC staff to make, if eligible jury costs exceed the total allocation, a year-end allocation adjustment so that each court receives a share of the approved allocation based on their share of the statewide allowable jury expenditures.



Recommendation 6

- Any new proposal that would rely on Trial Court Trust Fund or State Trial Court Improvement and Modernization Fund funding or any proposal for new costs of an existing program above the program's 2014–2015 level shall include information regarding alternative funding options and shall be reviewed by the Trial Court Budget Advisory Committee prior to presentation to the Judicial Council for consideration.



Recommendation 7

- Direct the Workload Assessment Advisory Committee to include in the Resource Assessment Study computation of workload need, the paid complex case fee filings, and assign to them the asbestos weighting of about 3,546 minutes, until such time as the advisory committee reviews the validity of the weighting.



End of Presentation



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