

**From:** Judge H. Chester Horn  
**To:** Invitations; Judge Joseph Biderman  
**Subject:** SEC Report Comments  
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To the Chief justice and Members of the Judicial Council:

I write to heartily endorse the immediate implementation of the recommendations of the SEC Report along with many of my colleagues.

In particular, I wish to emphasize the importance of the recommended AOC Budget Process changes. During the Watergate Investigation which ultimately toppled a President, Deep Throat is famously credited with telling Bob Woodward to "Follow the Money!" That has been a major and historic problem with management of the AOC. No one has been following the money very well. Even a casual familiarity with events of the last few years demonstrates that few have understood or been able to appreciate the significant fiscal impact of many of the AOC's initiatives. CCMS stands out as the prime example.

To insure that such fiscal fiascos never occur again, a clear understanding by all of the principal stakeholders, namely the Judicial Council and the Courts, must have access to key financial information in a timely and understandable fashion. The recommendations of the SEC concerning the budget reporting processes of the AOC set forth on pages 17- 18 and 181-185 of its Report will go a long way to assist interested parties with evaluating the impacts of decisions on the operations of the Courts. Without the ability of all concerned to see what is going on, i.e., to follow the money, there is little hope that the Courts will work their way out of the current financial mess in a responsible manner going forward.

H. Chester Horn, Jr.