

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 Web site. What follows is captured live captioning, formatted and unedited, of the meeting of June 22, 2012. The official record of each meeting, the meeting minutes, are 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 <http://www.courts.ca.gov>.

>> Chair Cantil-Sakauye: Good morning. This is the business meeting of the Judicial Council of California for June 22, 2012. This is the continuation of our day and a half, two-day council session. The meeting is now in session. We welcome all of you back. I am not going to go over the reminder about audio cast, about making sure that you speak into your microphones and address each other by name so that people following our meeting will be able to understand and track our conversations. And these are later videotaped for the California news on our Court website. Our agenda changed because we continued over from yesterday two items. We'll start with those.

I'd also like to plant in council's mind that we would like everyone to make their plane today without rescheduling. Please keep that in mind as we move through some of our less controversial items.

We will start, then, with item I, from yesterday. The judicial administration report from Jody Patel, interim administrative director of the Court. This is not an action item and we have Curt Soderlund joining, Interim Deputy Chief Director.

>> Ms. Jody Patel: Good morning, council members. Thank you.

For my report I want to first start with -- this will be a presentation that focuses in on what the AOC has done in the current fiscal year to achieve its budget reductions. And our plan, if you will, to meet the reduction for the 12-13 fiscal year. I want to start off a little bit with a bit of history.

In the past 14 years, since trial court funding the AOC has seen its responsibilities, functions, tasks and staffing levels increase, as you heard yesterday. Prior to 1998, as you -- as you know, the counties were responsible for a variety of different activities on behalf of the trial courts. From legal services to HR, to fiscal facilities, you name it.

After the passage of the trial court funding act in 1998, the need for the AOC to provide greater levels of service to the Courts increased. And particularly for the small and medium courts.

On -- at the direction of the council the AOC responded after trial court funding to meet the challenges and to build a statewide administrative infrastructure for the judicial branch. As you all know, I'm a big believer in reengineering. That's something in every organization I go to, I focus in on, continuous improvement and taking a look at how we do business. And I believe there's a need for government to engage in continuous improvement and identify efficiencies. At all levels of government.

So with that, last September as a result of our multi year budget reductions in the judicial branch, I was appointed to lead an internal review of AOC operations to identify realignment and cost savings opportunities.

When I was appointed as the interim administrative director in February, at the direction of the chief Justice, the executive team and I fast tracked the reorganization efforts.

>> Mr. Curt Soderlund: If I can interject for the benefit of the new member the, as an example of some of those changes that started to take place in 2002 as an example was the movement towards having the courts get off the county systems on to what is now known as the Phoenix system for accounting and payroll function. So there's been a transition over a period of time where the AOC in support of the trial courts has taken over those accounting and payroll functions. All day courts are on the financial part of Phoenix at this time point in time and 7 courts on the payroll system because of the budget situations, we had to suspend the payroll deployments at the juncture but that's an example for the benefit of the new members of the transitions that have taken place.

>> Ms. Jody Patel: Thank you, Curt. My presentation today will focus on four specific areas. Reviewing Judicial Council AOC budget reduction, particularly as I indicated for the current fiscal year, and then the plan for next year; reviewing and reapplying and cost-saving measures that we've implemented. I will share with the council exactly how we have achieved our budget reductions. And then the next steps for evaluating areas for further reorganization and efficiencies.

And all of these are geared towards ensuring that the AOC can continue to provide a good customer service to all of our branch entities as well as focus on transparency and accountability. This chart reflects the budget reductions the AOC council has faced over the last four fiscal years, in the 2008-2009 fiscal year we had a one time reduction -- several one time reductions that year in the branch for the trial courts, courts of review as well as AOC and HCRC.

Our share was about 4.7 million dollars. In 09-10 and 10-11, as the fiscal situation continued to worsen, our reduction was increased to 10.263 million dollars. And it stayed at that level for the 09-10, as well as the 10-11 fiscal year.

Then in the current fiscal year our Judicial Council AOC reduction increased to 13.4 million dollars, which basically was a cumulative reduction of 23.7 million dollars in the current year. And the way that we achieved our -- our reductions and operationalized the reductions was through cost savings, through consolidation of certain activities in divisions, identifying efficiencies, and staffing reductions.

I want today share this chart -- you all have seen our pie chart of the judicial branch budget before. But the off-white slice of the pie chart as you can see at the bottom of the screen there reflects the Judicial Council AOC budget for the current fiscal year. And it represents about 3.9 percent of the entire judicial branch budget.

The lion's share of our branch budget is at the trial court level, at almost 82 percent.

What I want to focus on a little bit is the current fiscal year. The blue bar on the left reflects the 13.4 million dollars reduction that the council and AOC faced in the current year. The bar on the right, the multi colored bar I want to walk you through and break down how we achieved our reductions.

Starting with the base of that multi colored bar, the red box on the bottom, 3 million dollars, that was our savings that we realized as a result of our continuing furloughs, AOC staff and the Courts of review staff continue to have a one-day-per-month furlough.

And to give you a little bit of history, our furloughs started in January of 2009. For the first six months of our furlough program it was not a mandatory program, it was a voluntary program.

However, we were very, very proud and pleased of the fact that a majority of our employees raised their hand for the voluntarily program.

For that six-month period the way our program was structured in -- as a tradeoff for the one day per month furlough, the staff did receive a one-day off personal leave, if you will. But effective July 1 of 2009, our voluntary furlough program, because of the worsening budget situation, we had to make that a mandatory furlough program. This is our third year of mandatory furloughs. One day per month.

We at this point in time, because our budget reductions have increased, and a week ago the Judicial Council AOC was informed that we will be facing an added 15 million dollars reduction. So at this point in time we will continue the mandatory furloughs for our employees for the fourth straight year.

The green box reflects the savings, \$648,000 from our first voluntary separation incentive program that we initiated in September-October of 2011. The blue box, 1.976 million dollars was realized through the elimination of some positions that had remained vacant at the AOC for about 14 months or longer.

And so those are the savings from that activity. The largest box is the off-white colored box, 5.956 million dollars. We achieved these savings through a reduction in our operating expense line item, part of our budget. And the executive team was extremely instrumental in every decision, taking a step back, looking at all of their different expenditures and everything and anything went on the table. And our executive team was able to identify almost 6 million dollars in savings in our operating expense budget.

And this includes reductions in education programs, elimination of some education programs, equipment maintenance, IT licenses, IT support, travel reimbursements, cell phone reimbursements and a slew of other things.

The last box, 1.866 million dollars reflects our agency-wide savings in reduced rent costs. What we have been focusing in on is renegotiating some of our leases, our office of court construction management has been very instrumental in renegotiating our leases in our Sacramento offices. In the northern central regional office, to realize savings, and with our office of governmental affairs, for those of you who have been in the that office, located on the 7th floor of downtown Sacramento of the building. We moved them to the 12th floor you would think as you move higher up in the building, the rent would be more expensive. But it wasn't. We moved OLGA into a smaller space with significant savings that we realized there. And we also realized some savings in our Burbank office. And all of that adds to 1.866 million dollars in the current fiscal year.

Now, I do want to note that these savings do not carry over automatically into the 12-13 fiscal year. And I'll give you an example of why. One quick example.

The 3 million dollars in savings from our mandatory furlough program, because the AOC has been engaged in down-sizing our organization, with the reduced number of staff next year we anticipate our savings from our furlough program will decrease from 3 million dollars to roughly 2 and a half million or a little bit less than that.

So achieving and meeting our savings reductions continue to be a -- challenge and the executive team, Curt and I continue to have discussions about how we can successfully achieve all of the reductions and continue to provide the support that the Courts in our branch critically need. Because the Courts are also down-sizing, and we fully realize that.

As I indicated earlier, last September my team and I in the northern central regional office started taking a look at an internal reorganization of the AOC. And in December we provided our

executive office with our preliminary response. But then in February we, at the direction of the Chief Justice, we began working with the executive team to really fast track a lot of the changes that we felt needed to be made to manage our reductions and achieve efficiencies.

And I want to walk you quickly through some of those. This isn't an all inclusive list by all means.

Our first action after I took over as interim director, we initiated our second voluntary separation incentive program that resulted in a decrease of 30 full-time employees that raised their hand and said we will separate and walk away here.

We also took a hard look at all of our agency temps, our contract employees. And since January of this year we have reduced those numbers. The temporary employees by 40. Contract staff by 41.

Our team continues to look at all of the temp help and contract staff, and we continue to identify reductions in those areas.

We merged as a result of the council's difficult decision at the end of March, merged our CCMS-POMO division, and centralized our technology resources and allowed us to reduce staffing in those areas as well.

We placed the community corrections program that's headed up by Shelly Curran under the executive office. We felt that that was a way for us to achieve efficiencies. And with that consolidation and redirection underneath the executive office, we also placed with Shelly all realignment activities in the branch. And we feel that that's a really, really important move. Because we fully realize that the largest caseload area for every trial court is crim. And we need to focus on how we can work better with the trial courts in that area to manage the largest workload, whether you're a small, medium, large court.

As I already indicated, we've been pursuing space consolidation to reduce costs. And the reason the result of that -- I've noted -- is to be determined is because our office of Court construction and management is working on an expedited basis right now. As many of you know we have several floors in this building here in San Francisco. As we're down-sizing our staff, we've identified an opportunity to move all of our staff and consolidate them on fewer floors in this building. Our hope is that we can give up at least 1 floor, if not more than one. And achieve about a million, million and a half in savings next year.

Part of our challenge is, however, that this building was built by the State of California for the Judicial Council. In order for us to vacate a floor, we have the responsibility of finding a tenant to replace us. Another government tenant to replace us.

AOC I think has worked -- they've -- we believe we're very close to finding some tenants, government tenants that may want to move into this building. And that will allow us to achieve some significant savings next year.

We also consolidated about two months ago our HR division and our trial court administrative services division. That allowed us to eliminate a director position. We're streamlining and simplifying our AOC budget. I am the first one to admit and acknowledge that our budget process is very difficult to understand. Curt's got about 30 years of state budgeting experience. I've got about six years of state budgeting experience. And we have a difficult time wrapping our brains around the way our budget is managed.

But as one of the council members said yesterday, you know, our process is a process that we've utilized and developed over a decade. And changing that kind of a structure takes a little bit of time. But we have already started working on that with Zlatko's assistance and we hope to make some really good headway in the very, very near future to -- for transparency and accountability

purposes, if you will.

>> Mr. Curt Soderlund: And when we get into the next budget item, Zlatko and I will be talking about some of those initiatives where we're trying to make the budget easier to understand, some consolidation activities specifically with the improvement fund and modification fund. So you'll get more about that in probably the next 20 minutes or so.

>> Ms. Jody Patel: We have also -- a master roster to track positions. You heard yesterday that was a challenge for the SEC. Our HR division does track all of the HR -- all of our permanent positions as well as our agency temp positions. The missing piece was the contract positions, which HR now has full control of. And we do have a master roster. And we're continuing to make significant improvements in that area.

Ken couch and his staff have been extremely instrumental in doing that.

We're also, as you've heard, implementing layoffs. Our first set of layoffs was on June the 7th. This week on Tuesday we had our second set of layoffs. And we unfortunately will need to continue to do that to achieve our reductions next year.

One thing I do want to note with regard to the reduction in our employees, this time last year our executive team consisted of 17 people.

At the end of this month the 17 executive team will be reduced to 10. And what that means is that every -- the remaining 10 continue to absorb the work of the 17. And for next year one of the focus areas for the executive team, because of the severity of the budget reductions will be everything is on the table. And at this point we will be looking at cutting programs and wholesale activities. Because in order to continue to manage the workload.

This chart reflects basically the staffing and the work force reduction. July 1 of 2011, which was the start of this fiscal year, the AOC started with 1121 employees. That includes agency temps, Apple 1 temps and contract employees as well as our permanent staff.

What this chart reflects is our contract staff has decreased from 124 to 77, our agency temps has decreased from 136 -- which is very high, and we realize that -- down to 64. Both of those will continue to decrease.

And our regular staff has decreased from 861 to about 723. And as I indicated, that number will also continue to decrease as a result of the added budget reductions.

This reflects what I've just indicated. July 1 we started with 1121 positions. Our first set of layoffs occurred June 7th, brought us down. Not just as a result of the layoffs but also through natural attrition. We have staff who retired, we have staff who found other jobs. And we were down to 884 positions. Again, that's a total that includes temps and contractors. By the end of this month we anticipate -- couple days ago when I shared some of this information with the council, we were confident we would get by the end of this month to 864. I'm told by my team, who I'm very, very proud of, because they continue to look at ways for us to reduce our -- our work force, that number will decrease at least by another 10, 11, if not more. And that was just in the last couple of days.

So that brings us, you know, from July 1 to the end of this fiscal year at a minimum we will be down by 257 positions, which equates to 235 actual employees. And the difference there are the number of positions that we eliminated that had already been vacant.

The 235 and growing I think is a very, very significant effort on behalf of the executive team. That occurred, a majority of that occurred in the last four months.

As I indicated, Phase 1, as we're looking at our reductions in the current year and the next year, we have to do it in a very thoughtful way. So we're doing it in phases, because what we can't do is try to make wholesale changes in the organization which I think could really put us in a lot of flux, and would be hard to pull together after that.

And so we're taking a very thoughtful, deliberative approach in achieving our reductions. Phase 1 was our reorganization and layoffs that we've already completed. Phase 2 we -- was our layoffs in the current week on Tuesday. The reason I have that in progress is because we don't have any certainty at this point in time about our CCMS wind-down funding. And so we may have additional layoffs in that area.

And Phase 3 are our next steps which is for budget year 12-13. And in Phase 3 we will be looking at finding ways to achieve our 15 million dollars reduction -- which we just learned about last week -- we will have our continued 13.4 million dollars reduction. On top of that the governor's May revision had a 4 million dollars reduction to the Courts of review, and to the Judicial Council-AOC, our share of that 4 million dollars is 1,063,000. So we're looking at roughly when you add it all up, about a 34 percent reduction in the AOC budget.

We will continue to restructure the AOC. I -- I do need to share with the council the structure that you have, that has been proposed by the SEC. I think is a very workable structure. There might be a couple of little tweaks that I would maybe want to propose based on my understanding of this organization. But I think they did a great job with that.

We'll also be taking into consideration as part of Phase 3 our manager and staffing ratios. We fully realize that as we down size the work force, we need to take a look at our management structure. And we fully anticipate that there will be reductions in that area. And there already have been in several different divisions.

And then lastly, our focus for Phase 3 will be to work with Justice Miller and E&P along with all of you melding in the SEC recommendations with our -- all of our reduction and restructuring efforts.

>> Chair Cantil-Sakauye: Thank you, Jody?

Any questions or comments on Jody and Curt's report?

Thank you. We look forward to further updates.

Carrying over from our agenda item yesterday, we're going to hear item J, also not an action item. And it is an update on the budget. And while the team reassembles itself at the desk, I'd like to welcome Judge Allan Hardcastle who is the incoming president of CJA. Thank you for being here.

>> Justice Hardcastle: Thank you, Chief.

>> Chair Cantil-Sakauye: Good morning.

>> Curt Soderlund: Not to confuse anybody, but for the new members, I'm Curt, he's Curt II.

>> Zlatko Theodorovic: And I'm Zlatko, and I'm not Curt. I'm Zlatko.

>> Chair Cantil-Sakauye: Curt t-o-o or Curt Roman numeral II.

>> Curt Soderlund: We're going to give an overview of where we are in the budget at this point in time. One point we need to emphasize is that the governor has the budget on his desk. It's a point in time in terms of our understanding to my knowledge as of close of business yesterday we still have not seen all the language as it pertains to the trailer bills. So it's a little bit of a work in progress for us.

Again, the input that you've heard from us over the last four or five weeks is the fact that we were getting snippets of information which made it very difficult for us to really, you know, organize our thoughts and try and figure out exactly what was going to go on. So this is going to be a team approach where we're going to talk about what happened with the May revise and the original proposal of the 544 million dollars reduction. And what was in place before the May revise and walk you through those steps. And where we're at, specifically with the fund balance questions right now.

So at that point I will turn it over to Zlatko and Curt.

>> Good morning, council. Members of the council. Little bit rusty last night, just came back from Hawaii last night.

(Chuckling)

>> Too many Mai tais.

>> Ms. Jody Patel: He sent an e-mail and said I'm having one for you, Jody.

>> At the May revision the governor proposed a 544 million dollars reduction. 540 targeted towards the trial courts. Of that 240 would be offset by construction funds and 300 million would be offset from the use of reserves. 4 million dollars was associated with the change in retirement rates for state-level judicial branch employees.

Also proposed to eliminate fund balances, a major, major policy issue. Those are the sort of low points of the May revision as we knew it then.

Now the budget bill as it's currently before the governor, the \$300 million is still -- still stands. The \$540 million still stands. But there's been some changes to the way in which those dollars have been -- are being dealt with.

Of the 300 million, 235 million of it is being allocated to trial courts based on their proportionate share of total statewide fund balances as of the end of this fiscal year. So to what point you have a 5 percent, 2 percent, 20 percent share of the fund balance is you would get that share of the 235.

50 million would be allocated to trial courts based on a pro rata share of their expenditure totals. The reason that the numbers don't add up to 300, because they offset a part of the reduction with the 15 million dollars reduction to the AOC and those funds redirected to the trial courts.

There's 100 million dollars that was part of the branch's proposal to the administration to use fund balances that also is being pro rata allocation to the trial courts based on expenditures.

I have had staff -- many, many questions from CEOs and folks asking: What does that mean? What does that mean?

So we've done the best we can. Not a perfect analysis, but we try to give folks a sense -- we've sent out last Friday a sort of what does this mean for you. As a ballpark. It was a guesstimate. But it tried to give folks an understanding of where they think their allocations will go for the

12-13, and 13-14 fiscal years. We've got feedback, you know. Thank you very much, that doesn't work for us. With fund balances have changed.

But again, it was our intent was to try and answer as many questions given the uncertainty of the budget process.

But we think it's been helpful. We've gotten a lot of good responses. And I think everybody knows we're just trying to make it a best guess for folks to see what that means.

Going on, as I said, the 240 million dollars as proposed by the administration is continuing in terms of a redirection of construction funds. There was a \$4.7 million increase for the courts of appeal. Related to the court appointed counsel program. We mentioned the \$4 million. The reduction was converted from something related to retirement changes. The legislature was not willing to go forward with that policy change. It's just an unallocated reduction with some reporting back to the legislature.

The budget bill is proposed by the governor allocates the \$350 million that was reduced last year, in the same fashion for 12-13 as it was done for 11-12.

There's some other budget bill adjustments. For example there's an item related to assigned judges. And that requires the use of judicial officers who may be available due to the closure or reduction in hours of courthouses prior to the use of the assigned judges program funding.

Is that correct, Curt?

>> Curt: That's right.

>> Doesn't give the council the authority to offset reductions to the trial courts to transfers from other funds. There's some issues with interpreters and how we can use those funds. Some restrictions.

They do include the plan that the council had discussed in terms of offsetting \$200 million of prior year cuts. Namely \$50 million from 1732 construction funds. We've previously discussed use of 62 million dollars to CCMS funding. 23 million dollars from the modernization fund. To offset cuts. There's 15 million dollars in savings from CCMS V2, V3. And we have the \$50 million in additional filing fee revenue to help with prior cuts.

>> Let me interject and ask Curt to explain particularly as we mentioned 15 minutes ago, about the merger of the improvement fund and the modernization fund. Curt, you want to take that?

>> Curt: Yes. Good morning.

A couple of months ago as we were starting to have some discussions following the governor's introduction of the budget in January, and we -- May revise, and the direction we wanted to start looking for solutions for the branch, one of the issues that I think we would -- had been hearing over in the building from a number of folks, but also internally was looking at is there a way to potentially streamline some of our funds.

So historically we've had the modernization fund, the improvement fund, and the trial court trust fund.

And I don't think there was always total clarity on what was funded out of each of those funds. And there were different funding mechanisms on what was moved from the trial court trust fund to fund -- to fund the funds; and as well as one was continuously appropriated and the other wasn't.



So we started some negotiations with the legislature. I think all trying to be on the same page on the fact that we wanted to see some greater transparency, some greater clarity between these funds.

And so I think part of the challenge was I couldn't really clearly explain why we had the mod fund and improvement fund that were each doing different things.

So we set down the course to have some discussions, whether it would make some sense to merge those two funds, the mod fund and the improvement fund, and let those be the funds through which we would -- the council would have the authority then to fund branch-wide, statewide initiatives for the -- for the trial courts.

And then have greater clarity, I think, with the trial court trust fund, that that fund would be intended to fund court operations.

And I think both with many of the stakeholders in the capital and with legislative staff seemed to think that that would make some sense to do.

So we did start down that course as these often happen quickly. There were a lot of discussions, but not until the -- sort of the time crunch really brought on the pressure to get the budget out did we get some consensus that we would in fact move in that direction.

So the budget bill and trailer bill language will indeed merge those two funds, the mod fund and the improvement fund. And again, with some stated clarity that those funds will be for the council for statewide initiatives.

The other intent was to make sure that those programs that were statewide programs, funded out of the trust fund, that those would then move over into the merged fund.

So I think we've got agreement to actually do it that way. But Finance didn't think we were going -- the Department of Finance -- think we were going to be in a position to actually do the technical changes that we needed to do in the budget. But there will be, I think, language that will track that the trial court trust fund is intended to fund statewide initiatives and that beyond anything that's currently funded would require an appropriation by the legislature.

Which I think makes complete sense in that if we need to look for some additional funding, and particularly in these times of fiscal constraints, that we would be going back to the legislature and asking for additional dollars.

At the same time we'll go ahead and have those programs that will continue to be funded in the mod fund and the improvement fund and what we agreed is over the course of the next year we'll work on the language on how to actually do those transfers. We'll have some reporting language that will be related to that. So that the -- any of the funds that are spent out of the trial court trust fund will report quarterly to the legislature and the Department of Finance, how those funds will actually work.

So in the end I think this is a provision --

>> Chief Cantil-Sakauye: Justice Hull has a question.

>> I'm sorry to interrupt. I think you -- what your exploration has been may have answered my question, but I want to make sure.

There have been some reports that there was language in a trailer bill that would require the council to seek legislative approval before spending any trial court money on statewide projects. Has that gone away, or is that going to be the case?

>> Curt: That's going to be the case. And that's going to be the language that will be associated with the trial court trust fund. So any spending out of the trial court trust fund, again to bring that clarity that the trial court trust fund is to fund trial court operations.

There will still be the discretion that the council will have on statewide initiatives in the mod fund and the improvement fund.

>> Justice Hull: Thank you.

>> Curt: I obviously haven't had enough coffee because you've lost me a little bit. So the new language has to do with seeking this legislative approval is to be able to allocate money out of the trust fund to the courts?

>> Curt: If any -- if the trial court trust fund dollars were to be used for any purpose other than trial court operations, would require an appropriation by the legislature.

>> Okay. I didn't -- I wasn't quite clear on that. Just one other question too. So with this new mod improvement fund, whatever it ends up being, will there be any authority for the council to carry forward fund balances from year to year in that fund?

>> Curt: That fund as established as a special fund would have a fund balance.

>> Has to be appropriated every year anyway?

>> Curt: We would have a fixed appropriation but anything left over would be like any other state agency fund like currently the mod fund and improvement fund, have fund balance.

>> Just wanted to make sure that they were not also saying every year you have to spend every dollar in every single fund, that you have the trial courts and the Judicial Council and every dollar.

>> Curt: In the May revise, the proposal was basically to zero out fund balances by the start of the 13-14 fiscal year. And there's been some recent developments that I'm going to ask Curt to fill the council in on those developments as we understand it at this point in time.

>> Curt: So the process right now in the legislature as you've all probably read, the governor and legislative leadership, majority party legislative leadership have reached an agreement on the budget. On Monday the senate will take up a budget bill junior, along with the trailer bills, they expect that those will be passed on Monday. They will go over to the assembly. As were -- as was the case with the budget bill.

Last week and the trailer bill, there won't be any hearings in the assembly on those bills. And then they will go to the floor on -- on Tuesday.

After which then the governor will have those bills I think -- the deadline on -- for him signing the Bill is Wednesday. So I anticipate that we'll have a signature on that. He'll have the adjustments made in the subsequent budget bill and will have the trailer bill. So I think with the intent to be done with the -- with the budget next week.

A couple of pieces then related that were being tweaked from the budget bill in our budget I think most of you are aware of the provision now on interpreters. And there was one tweak to be

clear, I think to make the "and" the "or" in there. But that's as far as they were willing to go. There was language in there that would give the council the discretion to redirect funds or redirect between funds. I think there will be some language added in that provision that would not permit redirection from the Supreme Court to courts of appeal or the habeas corpus resource center.

There will be some scheduling changes that I mentioned on the merged fund issue. And David, I do believe we will see the Santa Clara court added in for the moving ahead in construction in budget year.

So those are the pieces I think we know right now in the budget bill that will be tweaked.

>> As far as the reserves and --

>> So on the reserves too, the language that we're hearing is that -- you might recall that originally there was going to be at the state level a 3 percent reserve. That now is at the Court level as we understand it, is going to be a 1 percent reserve. And then 2 percent will be held by the council.

1.5 percent of that will be available for allocation, in the August time frame. We're trying to get that changed to a later date, because that's just not going to be very workable for the Courts.

There will be another iteration with point 5 percent that would occur in March. We should mention that those are items that will have to go back for the budget working group in terms of some direction that we're going to be seeking from the council in terms of how that whole process is going to work.

Another issue that's at play that we're working with Justice Bruiniers, Justice Ashmann-Gerst, Judge Moss and Judge Herman, we had a phone call this morning, \$5.1 million is hanging out there for the CCMS wind down. Recall that the council took the action to allocate 8.66 million dollars in 12-13 money. For those purposes, ISD and CCMS have done a good job of sharpening their pencils. That figure is down to \$5.1 million right now. What's outstanding with the legislature's further itemization of the costs with leveraging the technology associated with CCMS before and what we're talking about the, portals and e-filing. So that effort is in play. In the next four weeks we hope to have those FSRs completed and all the dollars that can then be shared with the legislature to try and reserve that \$5.1 million going forward.

There's -- also there's a \$30 fee increase for court reporters in civil proceedings for actions lasting less than one hour. 20 percent in the appellate first filing fees which we think will generate around \$1 million. There's also language that we're working on from a cash flow purpose with the department of finance and the legislature on the issue of if courts don't have the ability to pay their bills, what options are available for us. So the proposal that the governor's office immediately endorsed was to be able to dip into the two construction funds for cash flow purposes. That's another item that will have to go before the budget working group in terms of how that's going to be set. In terms of going back to the 2 percent state reserve, to emphasize there will have to be policy considerations that will be brought before the budget working group and for E&P in terms of how that's going to be administered.

>> And just to be clear, so those provisions will be in the -- we anticipate will be in the trailer bill as opposed to what we see in the budget bill.

>> So on another closing --

>> Chair Cantil-Sakauye: One moment, Judge Wesley and Kim Turner.

>> Can I go back for a second, you went through this pretty quickly on the reserves. Are there three different formulas for computing the reserves, one for the 235, one for the 50, and one for the 100?  
Or are there two formulas?

>> Two formulas. One is based on share of the fund balance and one is based on share of expenditures.

>> Hon. David Wesley: So the first -- the 235 and the 50 are based on --

>> The 235 is -- is reserve-related. And the -- we'll call it 150 is related to expenditure.

>> Hon. David Wesley: So those are the two different formulas. And the 235, do you know whether it's point in time yet or are they going to go back --

>> We anticipated that this most recent close will come in a few days. So it would be the June 30th, 2012 fund balance.

>> Won't know what that is 'til August, though, right?

>> Right. That's part of the problem of them wanting us to start allocating immediately is we won't know where we are. So the only one option they're talking about was having sort of a preliminary allocation and a secondary allocation. But we don't think that that was necessarily workable.

>> There is -- there was some discussion that some points in time with the department of finance about the need to do a true-up since the books won't be closed really in time for -- once the -- the new budget year has started up. That's where we're looking for language in the trailer bill to exactly see how that's going to carry itself out.

>> Chair Cantil-Sakauye: Kim Turner?

>> Kim turner: I have a couple questions. The first one is about the potential to stretch the spend-down of the reserves over two years. And we talked about this at our meeting I believe yesterday. But if the reserve balances are less than 235 and that provision is essentially moot because they're going to get 235 out of -- I don't know how they'll get the 235 out of reserves if 235 does not still exist at the time that the June 30th books close is there any understanding how that would work?

>> Our general fund has been reduced. We won't be getting reserves.

>> I know not getting reserves. If the trial courts do not have 235 million dollars in reserves, at June 30th this year, how will different between what we do have and what's identified --

>> It's merely mat. If we had 100 and you had 5 percent, you'll get 5 percent of the 235. So it will be -- that's how I see it. And that's what we've discussed it. It's for the purposes of calculating your share of the 235.

>> Got it.

>> Not necessarily that they would say you will use fund balance.

>> And Kim, to -- to your point there, if as a whole the trial courts do not have 235 million dollars in your fund balance you still have a 235 million dollars reduction. It may not come from your fund balance, it will come from a reduction in operations in some manner.

>> Great.

>> That's how our spreadsheet was done. It was just a calculation of your allocation change whether or not you had fund balance available to backfill it. Still yet to be seen.

>> Okay.

>> Your allocation goes down, and what you have to backfill it is what we're not sure of yet.

>> I have another kind of minor question about this \$30 court reporter fee for matters lasting less than 60 minutes. I assume the language is broad there. They haven't told us how to go about collecting that. Whether to assess it when the motion is filed or collect it in the courtroom. Or exactly how the vagaries of that whole system will work. Is that correct?

>> That's correct.

>> Because that will be yet another hurdle that the trial courts will have to figure out. Especially since many of our courts no longer have civil reporters. And I don't know exactly how that's going to work.

>> Chair Cantil-Sakauye: Judge Kaufman and Judge Rosenberg.

>> Hon. Ira Kaufman: Curt and Zlatko --

(Laughter)

>> I wouldn't say anything. Is there a motion?

>> Second.

>> All in favor.

(Laughter)

>> Hon. Ira Kaufman: Seriously, I'm confused about something. In the past we've always taken all the budget reductions and increases by your percentage of the budget. For instance, my small county has less than 1 percent of total budget. I'm taking more of a cut on the 235 than is my proportionate share.

Can you give me an example of like for instance -- I know we're taking a big cut. We're taking like 1.9 percent, which is not a lot of money, but still it's a big cut to me, versus some other courts.

Can you give me an example when the differences are?

And also, where did this come from?

How did this occur?

Why are we doing it in this one instance and not others?

There's no consistency, in my mind, that's where I'm confused.

>> I didn't bring the charts. And I can distribute those to the members.

>> I think Jody wanted to --

>> Ms. Jody Patel: Judge Kaufman, if I can address that. We would not have -- the formula for the 235 million would not have been our preference, if you will. And you're absolutely correct that the trial court budget working group as well as the council in the past three, four years of budget reductions, that's not the formula that you have utilized. It's typically done on a prorated basis. And/or, you know -- yeah, based on the resource allocation model, if you will for the more underresourced courts, taking that into consideration.

This was a formula that somehow the legislature came up with and in your case -- and I'll use you as an example or -- the easiest example for me is if you have 30 percent of the branch budget or the trial court budget, whatever that is, you would get 30 percent of the 235. This formula, what it does is penalizes those courts that have a larger fund balance, if you will. So that if you're -- if you're 1 percent of the trial court budget, that your fund balance is 5 percent of the 562 of fund balance at the start of this fiscal year. You get that higher percentage and higher share of the 235. Or the exact reason why -- that's not something we would ever advocate. It came from the legislature.

>> Hon. Ira Kaufman: But the legislature got it from somewhere.

>> I'll add one thing. That was really intended to be a mitigation. Because as the governor was proposing the administration as -- was proposing that it would have been the entire amount, would have been based on the amount of reserves.

So this was intended to mitigate that somewhat and spreads the cuts based on the prorate that expenditures.

>> Chair Cantil-Sakauye: Judge Rosenberg and Judge Ellsworth.

>> Hon. David Rosenberg: Thanks for the presentation. Clearly the biggest single issue for trial courts is what happens to the fund balances. When the governor originally proposed the May

revision, the plan was to ensure that trial courts spend down the fund balances to zero by June 30th of 2013.

It appears now that we're looking at a two-year track which is considerably better. But do we know any more about the details regarding this two-year track? Or will it all be revealed on Monday, Tuesday, or Wednesday?

>> Or before, potentially.

I don't -- I have not seen language on that provision.

But I also don't believe that there will be much guidance. In other words, how much would have to be in year one spent down leading into year two. I doubt that will happen.

>> Less guidance is good.

>> I think that's exactly right.

>> Chair Cantil-Sakauye: Judge Ellsworth?

>> Judge Ellsworth: I don't think you're confused at all, Judge Kaufman. I understand that this model has been foisted upon us. My question is because of the inequity that it creates, is there an opportunity for us then to dialogue about how to fix that inequity at the trial court budget working group level and at the council's level? So that we can at some point start to look at not only is this grossly create a situation for those that have been Provident and who have worked hard, many of which are the most under-resourced counties, as somehow taking a look at where do we go from here?

And also what do we do in order to rectify some of the inequities that are created? Gross inequities that are created by this.

>> I think there will be opportunity, but we're going to have to wait for the dust to settle. We haven't seen language. So we don't know what's prohibited and what's going to be permissive. We've all been promised language. But we haven't seen it. We're awaiting that e-mail that contains the language. I've been hearing that I'm going to get language from folks since yesterday morning and phone calls.

So I think there is a dust settling, there's a -- times where we can make the real demand with numbers. But until we see the language, we're really at a loss. But I'm very hopeful that we're able to look at what happens this year, look at this language and be able to come back with a response that better serves the courts equitably.

>> Two other points I'd like to make. One is an omission, if you will. In that the May revise had talked about the formation of a working group to take a look at some of the issues. There is no language that we're aware of that's going to be in place. I think there's an understanding that this will be a working group that a forum will be at the direction of the chief justice and we'll be moving forward.

It was interesting in discussions that Curt, Zlatko and I had discussions about what are we expecting to get out of this. We had a number of phone call, which had us asking the questions, can you articulate to us exactly what you want?

And there would be a 10 or 15 second pause where they really don't know where they were headed with that.

One other final point, and we said -- at least that I would like to make in terms of addressing some of the issues with the -- that were found in the SEC report is the fact that under Jody's direction we more or less at this point -- the four musketeers at this point are working very, very closely with each other in terms of transparency and making sure that we can better articulate where the budget's going, whether a the issues are going to be and will be giving the council periodic reports on exactly where we are at any given point in time with the budget.

>> Chair Cantil-Sakauye: Judge Kaufman?

>> Hon. Ira Kaufman: Kind of -- could I just ask for you to come up with -- a few sets of if Is. The figures object the 235 as proposed, you've given us already. Give me a set of figures what would happen if we split the 235 pro rata as we always had in the past?

>> We can treat it all the same.

>> Hon. Ira Kaufman: So I can see the difference.

>> That would be given to the budget working group so they can see the inequality and inadequacy.

>> We'll mail it to you today and get it out too everybody as an additional scenario. Not just the budget working group, but all the court staff.

>> Mr. David Yamasaki: I wanted to take a moment to talk about the Santa Clara courthouse. Two weeks ago I would say that the project was dead in the water. And a lot of work was done since that time.

And just wanted to say thank you. Kind of a rescue mission, so to speak, that you -- Jody, you and Curt and Zlatko and Lee's team put forth to allow this project to go forward. So I want to just say thank you very much on behalf of Santa Clara court. Thank you.

>> Chair Cantil-Sakauye: Thank you. Any further questions or comments?  
Sue?

>> Sue: What happens to the issues with regard to asking for the trailer bills or being able to be more efficient to reduce some of the things that were required?  
And was there any discussion about the public contracting law?  
Because that's so workload intensive?

>> Yes. Good question.  
Thanks for the reminder.

There was some early discussions about the public contract code. Not on the table. There was absolutely no interest in legislature in pulling back at all. Even fixing a few dates for reporting. No interest whatsoever.



As you recall, we put together a large work group, Donna Herkowitz, and our office coordinated through a couple of work groups to come up with a list of efficiencies that we could pose to the legislature and the governor that we would like to see included in the budget.

And by the time we got to -- done, I think there were about 17 of those issues that we took over across the street to have some discussion with legislative staff initially. And walked through with them.

There was some interest in a few of them, and some not interest in others.

The administration we did the same thing with them. They weren't overly excited about those provisions either. They were not going to get in the way of those if the legislature would agree to -- to put them in.

And in the end legislative staff had determined that a number of those issues presented policy issues. And as you know, we never do policy in trailer bills.

(Chuckling)

>> That those presented policy issues. And that we should bring them up in separate bills. So we will be looking at probably some additional efficiencies that we may want to include. And how we may want to package those in some legislation to try and move next year. Whether that's in a single bill or in a package of bills. In the end they were unwilling to take any of those for inclusion.

>> But the department of finance said that they would look to discuss them again in the fall if we wanted to pursue them at that time.

So I think there's two different tracks, right, Curt, as far as lege on one side and on the other side.

>> Chair Cantil-Sakauye: Baxter, and Rubin.

>> I had a question on the court-appointed council item. I know that we've been running at a yearly -- fall on that. And that there's been a working group that's been looking at some of those issues. I'm just curious, that's such a vitally important area in terms of ensuring that kids have, you know, the representation and parents that they need in these systems. Was -- is that figure sufficient to meet the short-fall, or are there --

>> This is -- this is for the -- what's --

>> Oh, okay. All right.

>> We get left out.

>> Okay.

>> No changes were being made ultimately in dependents and counsel.

>> Okay. That's the court of appeals. All right. And -- all right.

I mean, is there -- is the short-fall in terms of dependency counsel, with all the other cuts going to result in concerns -- yeah.

>> Yeah, I mean we have only a limited amount of resources available in those funds.

>> Yeah.

>> And as you recall, I think the work group, Judge O'Malley, had ultimately recommended that we come back to the initial base of 1-3, 03, I think it was. 104. And I think that -- close.

>> It was my sense at the time that -- a legislative ask on that. But I take it that's not going to happen.

>> Chair Cantil-Sakauye: Justice Baxter.

>> Hon. Marvin Baxter: I think in hindsight the chief's invitation to the director of finance to address the Judicial Council -- was it a couple months ago --

>> Yeah.

>> Hon. Marvin Baxter: -- was excellent. First of all, we were able to hear what the governor's position was, what the department of finance -- what their position was. And we were also able to express our concerns as to at least some of the major issues, the working group issue, the spreading it over two year, versus one. And so -- once the dust settles, and we are able to evaluate what remains unfair about what has been done, I wonder whether it might be visible to re-invite the director of finance to continue that dialogue. Because I think when they hear it directly from members of the council, it -- it -- I think it has an effect. So I would suggest that.

>> Would you suggest that in October at our October meeting? August is probably too soon, wouldn't you think?

>> How long does it take for the dust to settle?

(Laughter)

>> Years.

>> I don't know.

(Laughter)

>> So Justice Baxter, we've had discussions, Jody, myself, Curt and Zlatko about there were some things that were less than perfect in this last several months. And there's been some discussions about how to strategize in terms of re-approaching both the department of finance as well as the legislature in terms of getting us a better seat at the table. This has been a very

frustrating experience for all of us and all of you combined. And we're looking for some better solutions in next fiscal year.

>> Ms. Jody Patel: And justice Baxter, I've had several discussions with Anna Santos, the director of finance, and she's been very clear that she would appreciate continuing to have discussions with the branch and the council. She's fully aware of the challenges that face the trial courts in particular, with the fund balance issue.

So I would be more than happy to -- on behalf of the Chief -- invite her back.

>> Chair Cantil-Sakauye: I think in terms of timing it should be something like October, whether the dust has settled or not, because they'll start gearing up on the January budget.

(Chuckling)

>> Right.

>> Okay.

>> October.

>> For October. Okay.

>> Chair Cantil-Sakauye: After Justice Baxter, Judge Rubin and then Friedman.

>> Judge Rubin: Do we know where the legislature, kind of in response to -- or following up on Judge Kaufman's question, where the legislature got this formula for allocating the 235, how they came up with it?

And my second, I guess as a comment to curt, CJA has already start today compile a list of efficiencies in trial court procedure that we think would save substantial money. If we can share that with you, I think we might be able to come up with a package that can do some good.

>> Without having given it a lot of thought now, I think that would be exactly the right thing to do. Is that we should put together a package, we should look again at some of the issues that we maybe had decided not to move forward and put them in a bill. And we can figure out how to do that. You know, again, whether it's a single bill or a package. And how to move those or talk to the administration. Because I think if there would be some interest, we could get those in the January budget as well. And absolutely we should coordinate those.

Again, I don't know how they landed ultimately on -- on that split between the -- the 235 and the 150 on how that was going to be divvied up. Again, the administration's approach was that all of it was going to be based on the amount of reserves. And I think they just looked at -- as often happens in the compromises -- is a place to split the difference. And so drew a probably arbitrary line on that.

>> I mean, staff on the assembly and the senate budget, they get together and just brainstorm on how things happen. And sometimes we're involved, and sometimes we're not. In this case, you know, we're just all of a sudden -- here, this is how it's going to happen.

But I was part of that before. You sit and you just think about how could we do this differently. What about this issue, what about that issue?

It's just sometimes just a brainstorming and what you can get agreement on. And I assume that's how they wanted to deal with the overall cuts to the branch.

>> And we're so glad now that something like that co-can really appreciate our pain.

>> Zlatko: Absolutely. This was the worst ever.

>> Chair Cantil-Sakauye: Judge Friedman and then Mary Beth Todd.

>> Hon. Terry Friedman: Thank you, chief. Obviously the end result is not a good one. But when the May revise came out and the budget deficit was 16 billion dollars, the handwriting was on the wall.

And I hope that everyone in the branch understands what a heroic effort the four musketeers and the Chief made to mitigate as much as possible the impact of these horrendous cuts, which we knew from day one we weren't going to be able to avoid.

The State is in dire straits. And the cuts are devastating. So much of what is important, including the judicial branch. But we were able to mitigate some of the most onerous aspects of the cuts. The opportunity to spread out the sweep of the reserves to two years is -- is a considerable advantage for the trial courts. We've protected our self governance. And so I think that the lesson to be learned is we need to further the relationships that we have.

And echoing what Justice Baxter said, I think we have achieved a lot in developing a relationship with the director of finance. And building upon that is only going to work to our branch's advantage.

Those that thought we should have, you know, gone to the barricades and fought and launched all the missiles at the governor and department of finance, that perhaps made us feel good that we were standing up for ourself, but in the short run as well as the long run, we're much better off having good ongoing positive relationships so that we can make the best of whatever the realities are.

We unfortunately are not in position to control our fate. The other two branches have that power.

But we can do the best we can to protect our position. And I think we did. So I think that the Chief and our four musketeers deserve great praise, not only from the council, but from the entire branch for what they've been able to achieve.

>> Thank you.

>> What missiles?

(Chuckling)

>> Chair Cantil-Sakauye: Justice Baxter?

>> Hon. Marvin Baxter: Yeah, Curt No. 2 made brief reference to the efficiencies and efforts that went through the PJs and others. Of course this was coupled with the budget bill, so some of these were revenue enhancements, et cetera.

And the -- as far as anything major, the push-back was, well, that's policy, so can't be part of the budget bill.

But we do have -- I mean, we're really in a very difficult situation. And some of the sacred cows that we have within the branch are no longer sacred.

And I think we really need to start focusing on some of these fundamental things that perhaps two years ago we wouldn't even think about. And so I think -- I think -- and this is something that I think needs to be generated amongst the lawyers. I'm thinking in terms of priorities.

There's the issue of perhaps on the civil side of having electronic recording. So at least there is some recording of civil cases, as opposed to none at all.

And I think some of these sacred cows really have to be reexamined and whether it's the counsel that initiates that or -- or what. I mean, I don't think this is something that should be imposed on -- on others. I think it's something that needs to be discussed among the lawyers.

I know on priorities, virtually every attorney is opposed to these, the DAs, defense lawyers, civil lawyers, or the civil defense side. They're all opposed to any restriction on it. But -- but you know, we have to look at it in the real world.

So all I'm suggesting is that maybe this is the time for a reevaluation based on the context that we're in.

>> Yeah.

>> Chair Cantil-Sakauye: Thank you. Mary Beth Todd?

>> Mary Beth Todd: I have a question. Given this appears to be giving us on more of an even par with more of the other executive branch departments, is it anticipated that we will be utilizing the budget change process more and that we're going to have to get back into that?

And it occurs to me that that comes up in September and will be fast approaching as well. And do we need to start giving some thought to how we will be approaching that process differently? And do you anticipate the trial court budget working group to be the avenue to kind of explore that?

>> That's one of our questions to the administration is now you don't have the funding, we don't have any fund balances that you would expect us to use for something. That we'd have to come to you like other state agencies and ask for these funds.

So it was going to be something that we were going to discuss with Judge Rosenberg about collecting those ideas and forwarding them to the -- getting them to the council process and then to the department of finance in early September.

>> I think that would be helpful to start working on that.

>> Chair Cantil-Sakauye: So I know that we are waiting for language and further news. And I am confident that as we learn more, we will share it with counsel and also everyone in the branch as it becomes firm. And that this information will be on our website. And as you know, you're

always free to call -- I'm easy to volunteer up the four musketeers -- but we are waiting specifically for information to see what this language looks like.

We are very concerned with the language, what it looks like. We've been talking in concepts. And as a result of talking in concepts, all of us have our hackles up, because concepts are -- we're wordsmiths, because words matter to us. And so as that becomes known to us, we will make every effort to let you know where we are as soon as we get that information and what it looks like so that you may share it with your benches and your constituents as well.

I want to say, I can't thank you enough for all the late hours, walking the halls, making the calls, the early breakfasts, the discussions, the phone calls. It was particularly difficult -- I think every call I made, I started with, well, since I'm not at the table, I have to call you again.

And eventually they got the point that I was not at the table and it generated about -- numerous calls from me. And they were always gracious in the legislature and the governor's office in terms of taking the calls and hearing the concepts, and working them through and checking back. And the phone tree was active.

But I know you all devoted countless hours. And including the ad hoc committee. You had to work with some late hours and passionate calls. And then language and principles that were fluid. And ultimately we're all crossing our fingers to what that looks like.

And the presiding judges and rallying the pro siding judges, presiding Judge Rosenberg, can't tell you how important enough that was to have our voice out. Mary Ann O'Malley, getting out there and constantly beating the drum about the branch. This isn't just about what's happened in May, this is what has been going on, and efforts the restoration. Attorneys and state bar. Everyone has been in there pulling for the branch. And my gratitude is immense for all of that. And then when the dust settles we're going to get up and start all over.

Any thoughts, Jody, Curt, Curt, Zlatko?

>> I want to reemphasize that point that you made. It really was a great team effort with the presiding judges and Judge Rosenberg on keeping folks organized and making their visits in the legislature and Judge O'Malley with the bench-bar coalition, and the open courts coalition being formed around this year.

>> Chair Cantil-Sakauye: CJA.

>> That's right. Which is a group I think we will continue to have with us advocating on the branch. And CJA. Absolutely.

>> Ms. Jody Patel: I also want to commend Alan Carlson for pulling together all of the court execs. They were instrumental in assisting us. It was a great partnership, Chief. It was a little unwieldy at time, but we --

(Chuckling)

>> Ms. Jody Patel: It was effective.

>> Could I just say, chief, if I may --

>> Chair Cantil-Sakauye: Of course.

>> It really was a great effort top to bottom from the Chief down to the judges in the trenches, it was really gratifying to see a very united branch working very hard.

The only thing we lacked is what Judge Friedman mentioned, the missiles. We don't have any missiles. Clearly the legislative and executive branch control the money. And in the dire straits that we're in, they did what they did.

And I'm just really gratified that the team was able to salvage some positive results in a very negative situation.

>> Chair Cantil-Sakauye: Here-here. Thank you for the presentation.

>> Ms. Jody Patel: Can I just follow up on one --

>> Chair Cantil-Sakauye: Of course.

>> I just want to reinforce what Justice Baxter had to say. We keep hearing that you're just kicking the can down the road. You've got to make structural changes. At any time structural changes are mentioned, we get shot down. A lot of times by the lawyers.

Yet it's the lawyers that are complaining about the courtrooms being closed and things, you know, slowing down. And take four or five years again.

But is there some way to move Justice Baxter's suggestions?

For example, no jury trials in misdemeanors where the sense is less than six months because the reality is defendants are doing about a minute and a half before they're checked in and checked out. Reducing the number of jurors, reducing the number of pre-emptories. Is there anything we can do to move it forward for these proposals, these thoughts?

>> Chair Cantil-Sakauye: I think we may have an opportunity to discuss some specifics on that when we get into a working group mode about the concepts that have been in this branch about improvement. And as Justice Baxter has said and Justice Ashmann-Gerst of the has said we are examining whole principles because we are in a new era and a governor and a legislature that demands it. We want to be able to craft those changes instead of having them imposed on us by another entity. So I am looking forward to a creation of a working group with these component parts to bring that in the next legislative session or parts of it in the legislative session.

>> I do think the bar particularly has been really a good partner this year. Not only getting out and doing the work, but the civil bar, as Chris Dolan mentioned to you yesterday to you all, I think sitting down and really hammering out another year of fee increases and, you know, coming up with the \$50 million for the courts this year was -- was really big.

And I think your point is exactly the right one, as we started looking at, you know, less and less being available in Court services, that there's going to be more and more on the table for those kinds of compromises. I think we really did set up a good working relationship with them again sometimes a little more challenging with the criminal bar than it is the civil bar. But I think we've got a good framework to keep those discussions going with them.

>> I know we're trying to move on to a different agenda item, but I just want to add to what Justice Ashmann-Gerst said, I know so much is being done to educate the legislature and executive branch about our court customer's needs. Maybe the bar members can join us in educating those entities about the fundamental constitutional right that people have to jury trials and misdemeanors, and preemptory challenges. Rather than us losing the back bone of what we're here for, they will understand they need to pay for it.

>> Chair Cantil-Sakauye: Thank you. Thank you. I note that we would normally take a break -- I'm sorry?  
Angela?

>> Just about the jury trials --

>> The United States Supreme Court said that there is no constitutional right to a jury trial if you're facing less than six months in prison. And indeed in the state of New York and in the federal system there is no such right. It's a California constitution that requires the jury trials for those misdemeanor cases. I would be very interested in participating in that -- efforts to get California kind of in line with some of these issues.

And I realize it's very controversial, encroaching on the sacredness of jury trials, it's a sacred cow. But I think in this climate we need to look at it.

>> Chair Cantil-Sakauye: Thank you. I see many interested parties who I can call on to be part of that.

(Laughter)

>> Chair Cantil-Sakauye: Multi component working group. Thank you.

>> You too, Jim Fox. Can't we be slated for a 15-minute break. But I would ask counsel for their indulgence to skip it and leave as you need and bring in whatever coffee you might need to so we can continue the meeting. And I'd continue to start then with item K.

>> Justice Doug Miller: I know it says we're going to take 30 minutes, I think I can do it in five minutes or less.

What I wanted to -- first report was based on our conversation yesterday about the SEC report, that it will be posted today starting today for our 30-day public comment period. That will last through July 22nd.

Then the invitation to comment will be on the invitations and comment page of the California courts website. And it will include a link to the written comments received for this meeting, all of the written comments that we receive for yesterday. But then there will also be -- I know Judge Rosenberg is gone but there will be a link to the audio cast where the discussion was held on that.

In addition of those requests for public comments will be sent to the usual groups and stakeholders. And those public comments which we receive will be then placed on the Web page so that the public comments will become public and posted. And there will be a link, I'm



told right under the invitations to comment link called, I think, posted public comments. So those will all be available for the public.

Normally this is a three-day meeting, just as it was this week. And two days of that includes branch strategic planning. Now since it's Friday and Wednesday and Thursday are gone, we didn't do any branch strategic planning. Kind of a historical background, planning for the branch and the judicial council started back in the 1990s, the Judicial Council adopted the first branch strategic plan in 1992, which was influenced by the work of the 20/20 commission.

In 1999 trial courts submitted their first plans to inform branch planning. In 2000, the council adopted its first branch operational plan. In 2006 the council adopted the branch -- branch's current six-year strategic plan called justice and focus.

And we are supposed to be now in our planning stage, which would finish and complete in 2013. Which would be our next six-year strategic plan. And we as council members have specific abilities to setting those strategic priorities for the branch.

(Next writer stated with ">> The council develops and approves a long-" right here but it's actually the same speaker)

>> The council develops and approves a long-range strategic plan on a six cycle and operational plans and those are 10.1C mandated by the California rules of court. It shapes everything we talk about from budget, to program direction, to the legislative agenda the rules and forms. In the past we have done a very good job, I believe, in instituting the plans based on consultation with branch stakeholders. We started the planning for this year, E&P starting in the planning mode at the end of last year. We had information sent to a number of the branch leaders which they returned to us, and which we have scheduled, I believe in March, an all-day meeting with I think over 100 individuals around the state.

As Jody and I looked at the cost of the meeting with all that's going on with the current budget situation, we decided that it was not practical. It did not make good business sense to do it in that way so we stopped it. I want to report we're not giving up strategic planning, we're going to work on the strategic plan. We want to come up with a broader and less expensive way to do this. We'll start up talking about this, we have staff working on ways to do it so that we don't have to bring large numbers of people here and put them up in hotels and feed them and let them have coffee breaks.

>> Chief Cantil-Sakauye: Hey [Laughter] .

>> And so we're working on that and ways to do it through the web. We want to broaden it so we have the opportunity to reach out to maybe every single judicial officer if they're willing to do that on a web page aspect. That's something we're continuing to do. Jody and I also talked with the SEC report and the potential new Administrative Director that we thought we needed to slow down the process just a little and see what the SEC report entails and work with the recommendations and I think after we've heard the report and seen that that was a good choice. So, I didn't want you to think that we had forgotten about planning. It's having that we're still in the process of doing and I think it will provide a better strategic plan now that we've delayed it and hopefully we'll be able to broaden it and do it in a more business sense way. So that's just a report. Thank you, Chief.

>> Chief Cantil-Sakauye: Thank you Justice Miller. Any other questions.

>> I understand item L on the agenda is going to be deferred until we have actual language or hear something more specific from the but the and the governor's office and the Legislature. That's eliminated from the agenda. Now we take up item M. The technology report from the committee on technology. This is an action item and I invite Judge Herman, our chair of the internal CCMS committee, Curt Soderlund, and Mark Dusman to the presentation table.

>> We're right on schedule.

>> While we're waiting for the technology [ Chuckling ] there's only one action item. And the rest of the presentation this morning is just what the status is in relationship to the charge that the counselor gave us back on March 27. The action item is a change in the internal CCMS committee's name to cinch the Technology Committee. Not that there's anything negative about CCMS, but ... so if I could have a motion, if there's any discussion on that.

>> Motion.

>> Is there a second?

>> Second. Any discussion. If all in favor say AYE.  
[all saying AYE].

>> Any opposed?  
[Quiet]

>> Slide one, please. On March 27, as the council knows and just to remind the council, the council directed the Internal Committee to oversee the termination of V4, develop a branch technology vision and road map to leverage CCMS technology. Leverage meaning sees what we could do in terms of use of V4 as well as it's components by the trial courts and perhaps in terms of a vendor relationship, a commercial vendor relationship. And look at court technology government structure, seek alternatives -- case management alternatives for San Luis Obispo, and that's item M on the agenda. With the termination of V4 in March, it essentially pulled out the rug from underneath San Luis Obispo in terms of its plans to replace its failing legacy system. And also to work on an approach for courts with critical case management needs. This has been refined, actually, to seven task it's but I don't think we need to take the time to go through these. They basically incorporate the interim charge of the council to the internal committee. In terms of bringing the council up-to-date where we are on the interim charge, decommissioning the environments and project documentation, the project documentation basically means documenting the project to be completed by June 22. And as far as the branch-wide technology vision and road map, cover court technology need survey, the formation of a Judicial Branch working group and steering committee and lastly proprietary software vendor works that we're coming to grips with. Judge O'Malley suggested at one of the last meetings that we survey the courts on what the technology needs were and the survey was distributed in April. Judge O'Malley. It's very pleasing to the committee, I think, to see that 51

courts have responded to the survey and a draft analysis and report has been provided to our committee and will be circulated to the council and the public. Six courts have urgent Case Management System needs. What that means is that they have systems that they think are on the verge of failure and that they need to replace in the coming year; 22 courts need to replace one or more Case Management System next one to five years; 16 courts are round discussion as to perhaps current systems, and -- participating in a trial court consortium to negotiate with private case management vendors; 33 courts expressed an interest in AOC implementation assistance with E-business services; 38 courts have expressed an interest in the AOC negotiating branch-wide licensing agreements.

The majority of the courts believe the council should set standards in terms of technology. Conscious the courts should determine how funding of the projects should be. And we know what the funding situation is and that's going to be a major challenge. The courts want to be involved with the development of the branch-wide strategy. This is important for the direction of our council to the committee is that our interim charge is to be in collaboration with the trial courts. It's not directed downwards, it's a collaboration. Electronic access and exchange of information, that seems to be the service that almost all of the stakeholders -- includes the courts -- identify as being important in terms of looking at that particular issue from a government's perspective. We have a number of task forces, groups, working groups, advisory committees that are involved in various aspects of E-filing for example. One of our tasking going forward is first of all to survey all of those and Jody Patel has the information and is directing it and trying to figure out the best way that we can perhaps streamline the groups and make sure they're collaborating with one another and not duplicating efforts. In terms of collaboration and outreach since the last meeting, we've had five meetings, actually six meetings since April of 2012 within the committee which has addressed various issues that we're presenting here today. I had a meeting with the court information management forum. A small pastry producing village [Inaudible] And I want to give a little bit of a background in this. It's interesting, after we decide as a council to terminate the V4 project, I was approached by Alan Carlson from CSEC and by [Inaudible] Who is the IT director in Orange County. Both come from different directions saying they want to help. It's obvious that there's going to be more of a de-expense on the trial courts it -- in terms of where we go with technology, and we're available, and we want to provide subject matter expertise on a go forward basis because the fact of the matter is, although we have judicial officers and court execs on our internal Technology Committee, the real subject matter expertise administratively and technological, is with court [Inaudible] And the CIOs. Techies who are interested in solving technology issues and have the technical expertise. [Inaudible] Was five miles from where I live. I visited their committee. They spent two hours briefing me from a tech perspective and where they think the branch should go and how from a grass-roots level up we should develop a strategy. In addition, SECAC has prepared a draft report that's further down the slide list. As a result of this kind of informal approach from SECAC and the court technology group, we decided to develop a working group of subject matter experts as I said. The members of the working group include judicial officers, consultation with Judge Rosenberg. We selected Judge Moss because of his participation in the interim committee as well as from Ventura County, Judge Glen Reiser, both are familiar with V3, and V4 and they make a good team from the officer perspective. And we have representatives from the CIO group across the state as well as representatives from the CEO group. So this working group is also steered by a small group which meets by teleconference every Friday to see how we're progressing with the various issues we're facing in terms of our charge. I've asked Judge Moss to

chair the committee. [Inaudible] And I will participate in all the meetings so there's no disconnect and there's a direct connection between the working group and the committee. Judge Moss do you want to talk about the work streams?

>> That was the brain child of Robert O. Young who is the Chief technology officer in Santa Clara. An outstanding individual who know knows the technology side. We have we defined five work streams or projects to establish the goals of the council. If you can see that it's difficult to read, on the left hand column, those are the different projects. The technology road map. That is, where are we going to go? The HMS CCMS has been hit by the iceberg and sunk. We have 58 lifeboats out there. Some have crew men on board to row and oar and some don't. What do we do? We develop a recommendation to the council of where we should go with technology. Resources is an issue. It's a tough thing. We don't -- do have the money to do what we know we should be doing. What we've done is created this work stream. Do we have the names of the individuals up there?

>> We do.

>> Judge Reiser as you all know from Ventura  
[ Overlapping Speakers ] .

>> By the way, Jake Chatters is the primary author of CX draft report on what technology related functions should probably be at the branch level, what should be exclusively at the trial court level and those that are kind of in the middle and in between the gray areas that we need further discussion and development --

>> Yeah. So each work stream has target date. They're very aggressive dates. As you can see on the first one, it's August 2012. That's coming up in a couple of months. We want to come to you with a recommendation. If we can't make that deadline we'll push it out a little bit, but we want to get these things done and on the table as soon as we can. And CCMS V2 and V3 we have six courts using the system and how are they going to be maintained, will the AOC continue to do that. Ask we have the CEO of my court, a big time V3 court, probably the biggest, and Brian Coda from Fresno, and they head up V2. Those work streams and projects, people who are the sponsors, enlist judges and other CIOs as they need them and they've all kinds of involve tears to do it. And they'll have a recommendation for the council on the direction we should go. In the RFP, we're trying to come up with in it that the courts don't need to re-invent the wheel going to a Case Management System. We have Heather from the IT person from Sacramento. And Robert O. Young, the IT person from Sacramento. Executives officers, as many people as they need to accomplish the task. We go to the CCMS reuse, and this has become kind of the 800-pound gorilla because of the money that's available to do so we can see what we can salvage from CCMS. We have this on the front burner. We need to convince the legislature that we need \$5 million to do this work, and that's what we're trying to do first. Les has done a great amount of work on this coming up with 19 components that might be salvageable. And is he left Schwartz is going to assist in spearheading that group. Our target is next month. The legislature needs some answers right away and that's the most aggressive date we've got. And finally, E-filing. It's hugely important for all the courts. All the courts want it. All the courts are at different stages of development technologically speaking. Our court is probably the most advanced -- we have all kinds of experience in E-filing, with Tim Benton of San Mateo. It's a big issue. We have 58 different courts going 58 different ways and

the attorneys have 58 different ways of E-filing and that's not a good thing so we're going to try to come up with recommendations to unify this to create maybe not one portal but one way for the public, the attorneys to access E-filing. In a nutshell that's it.

>> Just to circle back. First of all, I have to say, hats off to Alan -- and Bob O. Young. What is really wonderful about this approach is that it's coming from the trial courts, they want to help, it's not really costing us anything except Mark and Les', and Jessica Craven's time to help coordinate. It's clean. There's ever there are individuals responsibly for leading each one of the work streams with time lines set and a very clear idea of what hear in trying to accomplish. This is just one of the one of the things with a very difficult decision that we made. It came out with people willing to help. Once again, thank you for everyone working on the issue. One other thing regarding the last work stream involving E exchange of information. I did meet, and it's one of the previous slides, I met last Friday on the 15<sup>th</sup> with the CTAC to start the dialogue to on how the Judicial Council committee will work with CTAC and it's inventory including E-filing, and Justice Ashmann-Gerst has worked on very successfully as well as E-filing at the trial court level. The inventory in the trial court level is the rulemaking process, for example, the CIO on the tech side involves the administrative part from the CEO level in terms of information exchanged by technology as well as the technical piece that the CIOs can contribute. We're basically going in two directions in terms of how we leverage the V4 technology and its components which includes document management, E-filing, E-exchange of information, as well as the public and stakeholder portals. One track is this information is of no cost to the trial courts. We own the product, the trial courts are entitled to use the product. Any parts, pieces, or any whole parts of V4 and it's components that are feasible within the feasibility studies and so forth and so on. The other track we're pursuing is there any vendor interest in a business relationship that involves V4 licensing arrangement, purchase agreement, etc., etc., etc., because as we do know, everyone that's looked at V4 said that it will perform as designed and it's a very good project. One of the sort of glitches that we've come across is that Deloitte has vendor works embedded in the software and to translate that vendor works, it means they have proprietary software in the components. Since it's their proprietary property they want to protect it and with the contracting with Deloitte, they have outlined that in the contract. We have gone to Deloitte and said on the one wand we want to see what we can do in terms of use of V4 and pieces and components with the trial courts but on the other hand we want to see if there's a potential commercial opportunity. They have said, well, yeah, but we have this intellectual property that we want for protect. The most recent correspondence came from them on June 15. Actually, the response was only a couple of paragraphs long. They said, look, a deal is a deal, this is what we agreed to back then, but we're open to the idea of further discussions with council and with the AOC in how we can work around the language north to accomplish what you want to accomplish in perhaps a relationship with some other vendor. So that door is still open and we'll pursue that.

>> Chief Cantil-Sakauye: Justice Miller?

>> First, I wanted to commend you and the other council members on your committee and staff. I know that over the last few months you've spent many a days, nights, and weekends on this, and I know we all appreciate it and that you've done a wonderful job in that regard. The one question I had was, if we don't receive the 5.1 or the 7, or the 8.6, over whatever the figure it ends up to be, how does that impact what you're planning to move forward on?

>> If I can answer that, Justice Miller. It would impact any leveraging of V4. In order to figure out what we've got, break off what we can use, we have to be able to look at it, have experts come in, and we have to pay for the cost of doing that work. If we want to do the work, we can't leverage any part of V4. It will sit on a shelf and gather dust.

>> To add to that. We're in a position where time becomes simply untenable to have any useful -- any use of the V4 product is rapidly coming towards us. In other words, if we don't do anything on a leverage front during X period of time, we simply lose the product. So at the same time that we are pressing on the accelerator and trying to do the leverage, we're also -- we have diminishing resources technically in terms of collapse of the environment that supports V4 product as well as, you know, we just essentially laid off most of the project management office which oversaw V4. So we are really at a crossover point.

>> We can do things light plan our strategy for the future and all that. We can do many of the other work streams, but using the parts from V4, I think, will be impacted from that.

>> Chief Cantil-Sakauye: [Inaudible] .

>> Thank you, Judge. And concerning Deloitte's proprietary management their response was a deal is a deal. I'm confident that we believe that was part of the deal at the time. Is that correct?

>> Yeah. I think that's correct. We have looked at this very carefully and they have the list of -- in the contract of their practice proprietary information.

>> Okay. And how confident is the committee that those matters can be worked around with Deloitte? Are you hopeful or fairly confident?

>> They have left open the door -- the letter has left open the door.

>> Thank you.

>> Remember, Justice Hull doesn't impact the court using V4 it's only impacting outside vendors.

>> I understand.

>> Chief Cantil-Sakauye: Does that mean private for profit vendors only?

>> Correct. We would -- in fact, I don't know if we've done any work on an RFT for outside vendors but that's probably the way we would go. We would prepare an RFP.

>> Chief Cantil-Sakauye: Thank you. Judge Rosenberg.

>> Just a question, what if the legislature does not give you the 5.1 or whatever, would a high-powered volunteer team of IT specialists from the trial courts be able to recover the data and provide some use for the 4 product?

>> It's an open question that needs to be examined, but I would say this. First of all, number of folks with the AOC know what's really going on with the architecture and the code has shrunk radically, almost to zero. That resource is not there. And although -- and I think we discussed this at the telephonic meeting this morning with the steering committee -- although IT heads around the state have familiarity with the technology, they don't have familiarity with V4. For them to be able to come up to speed in a very short period of time with V4 given its immense complexity, 6 million plus lines of code, etc., would be a challenge, let me put it that way. Do you agree with that?

>> I do agree with that. What we're trying to do before July is put a dollars number of specific tasks that need to be done, personnel that we need to hire, and equipment we need, that kind of thing so we can demonstrate to the legislature how this money could be spent. That's what we're doing now. I don't think we could do it now [Inaudible] That's my opinion.

>> Next steps in terms of dealing with Deloitte, we have an internal meeting with IOC to strategize, and CTA has been invited to the table. We'll be trying to establish a meeting dated with Deloitte and CTA. Do you all know what that is. California technology agency. California teachers association [ Chuckling ]. California technology agency. They're for the lack of a better term, watchdog for the agency in the executive branch. They've offered up a strong willingness.

>> Bust us if we use jargon because this is a translation process. In terms of leveraging, we put on the demonstration. Two demonstration, one was basically for the tech folks and the other for the administrative folks. There was a pretty strong turnout to take a look under the hood, so to speak, to look at VCS4 and its components. We had 64 as well 7 log-ins respectively. That doesn't rate all the folks because there were room of people around the state that were looking in on that. Al, do you have any observations on that process?

>> Yeah -- and you're right, we had six at one meeting and eight at another just in our facility.

>> Right.

>> The interesting thing about the architecture is -- it turns out that the technology folks that put V4 together picked kind of the best of the breed was the word used for the different pieces inside V4. It meant it was very efficient. Well done but very complicated. Well done but complicated. It would be hard to maintain the architecture out of the environment. They did a good job, but now it's hurt us. The architecture.

>> Taking the whole internet system and putting it down on the laptop. The complexity. An internet version of word or something and trying to take that internet version and collapse it apart and put it on your laptop computer.

>> What that means is that was built as an enterprise 18 county system for one court to take one part, install it, is way to complicated in architecture for that.

[ Overlapping Speakers ] Yeah.

>> And on the functional side, people have seen it and been involved with testing. People were very impressed. It was very intuitive, went smoothly, and hard to know how fast it was because we were on a webinar, but people like the functionality which was frustrating considering. It worked.

>> These demonstrations were recorded and if you want to access them on the website, you can see them I think that's correct, is that right, Les?

>> Yeah.

>> Unless you have a degree from M.I.T., go don't to the architecture one -- if you want to see what V4 looks like, you're welcome to log-in.

>> [Inaudible] We've talked about the possible leverage opportunities and what that means in English is simply looking at the what we can in the 19 different areas and make use of the technology at the trial court level. And CCMS code access, you know, what we're opening up or discussed is opportunities for trial court CEOs to take a look at the code itself with the possibility of perhaps using parts of the code within their own courts. So that, again, is somewhat budget dependent in terms of whether they're able to do that. San Luis Obispo request for a proposal. The AOC has drafted an RFP system for San Luis Obispo.

>> MS --

>> What I did say? CCMS. I said that? Okay

>> You're busted [Laughter] .

>> I know. Force of habit. Pardon me. Case Management System. And, again, I have to complement staff. This is rocket docket in terms of moving forward with some of the stuff. The reason that the timing was pushed on this, as we'll hear in the next item on the agenda, San Luis Obispo is in desperate states from a Case Management System and been left out to dry on the decision on March 27 and it's what the council asked to the committee to do in terms of looking for a technical solution for San Luis Obispo case management-wise. Yes, it's for San Luis Obispo, but it's also a template for request for proposals for a Case Management System that courts throughout the state can use to go forward. Not only that, with San Luis Obispo being a pioneer in this area, there's value added to assisting them and acquiring a Case Management System financially because that will identify vendors who are qualified vendors in the sense that they meet the requirements to make the request for a proposal in the first place. Secondly, San Luis Obispo will have contributed their time and energy in walking through the RFP process and creating a path for other courts in -- path for other courts looking for Case Management Systems. So, next slide, please. So that appears to be it. It looks like we did our one hour presentation in a half hour. So ... any questions?

>> Chief Cantil-Sakauye: I have a comment. I think this is very exciting. We're able to learn



from past incidents but able to move forward and bring everyone along. It just sounds like we're making the best of a situation. We found ourselves, a quick turn around to regroup and find out how best to use this, and I know we've been in discussions in the -- I explain the [Inaudible] And there's a lot of understanding of the merits and the logic of the argument and I'm crossing my fingers and we'll find other ways. This is very exciting and I commend you on all your work. I attended a half meeting and it was incredibly above my pay scale to figure out what you were saying, but I understood that there was movement toward as modernization of the branch and I'm very excited by this.

>> You know I think most of us walked away -- least my committee and I walked away from the March 27<sup>th</sup> meeting of a real sense of what the heck do we do now. And then kind of like the cavalry came in from the branch. It's a demonstration of the branch in dire times financially and technologically as well. My mantra is to keep the doors open, but if they don't have a functioning Case Management System, it's very hard to keep the doors open in an effect, way for access for the public.

>> Chief Cantil-Sakauye: Thank you. Kim Turner.

>> I wanted to [Inaudible] what you said, Chief, and commend the division of the AOC which has done amazing work, with constantly changing landscape. Mark, you and your team have done nothing short of miraculous work following the decision we made in March. Following up every day and using amazing ingenuity to help guide the process. And Judge Herman, you're the 24/7 technology judge. Thank you for all of your efforts.

>> I have to say, Kim, thank you to the committee as well. A lot of wear and tear over the past and ups and downs and reversals of fortune. Everyone is stuck in this. Everyone contributes. I echo your comments about staff. I mean, can you imagine while you're being rapidly down sides like an elevator falling from the 20<sup>th</sup> floor, but at the same time you look forward and have to figure out what to do with the diminishing resources and go around and fire people in the building. Like the RFP, to get that done, the document completed because, of course, the RFP created is delayed in San Luis Obispo, and the period of time, because they can't single source their Case Management System. Thank you for that.

>> Justice Ashmann-Gerst.

>> Just to follow up on your comment. Moving towards technology and I want to thank you, the committee, and Judge O'Malley for the suggestion of putting out a survey to all of the courts. If you take the time to look at the survey and look at the individual courts, you get this real overall sense that by and large the courts are hoping that the council will be a leader in developing a technology plan for the branch. Great work. Thank you.

>> Thank you, Chief.

>> Judge O'Malley, you want to thank the cavalry, the IT guys. I worked with them on a other projects before and I am really thankful that they are contributing a lot of their time and effort to be the cavalry. And you're out there guys, thank you, if you're listening.

>> Chief Cantil-Sakauye: Thank you. Judge De Alba.

>> I think we should acknowledge the sustained expertise and efforts of Justice Terry Bruiniers, who is not here.

>> I agree. And Justice Bruiniers, by the way, is representing CTAC on the steering committee. And it's the steering committee for the working group and has been in the loop on all of these issues and is probably the "pro from Dover" among the judiciary on all things technology.

>> Chief Cantil-Sakauye: Thank you. Thank you and we'll -- from now on, we'll get reports from the Technology Committee.

>> That's right. And we'll talk about Case Management Systems [Laughter] . Thank you, Chief.

>> Chief Cantil-Sakauye: Thank you.

>> Justice Herman: All right, item N on the agenda? I would like to invite my colleague Barry LeBarbera from San Luis Obispo to come up and join us [Laughter] Well done.

>> He takes the direct approach.

>> Justice Herman: The action I'm here is funding San Luis Obispo Case Management System which was supposed to have been funded by the branch to assist them in their deployment of CCMS V4. Here's kind of the historical outline. There's both our report from our committee as well as Judge LaBarbera submitted on behalf of his court. This is the situation. This court has gone out on a limb three differently times in terms of Case Management Systems only to have that limb sawed off. Not through any fault of their own. This is extremely well managed court. It does have a fund balance. It's worked frugally in order to maintain its operations. About ten years ago, in 2001, this court was on the verge of deploying an ACS system, one of the case management vendors that's till active in California, and one of your courts may be on an ACS system. And I happened to know the person. I represented the San Luis Obispo court in a situation following a former IT director in the county of San Luis Obispo who had come on board. At that time they were talking about going on the ACS division direction but now with the stand up of the southern California regional office, it looks like the branch wants to go in the direction of a statewide Case Management System. So because of that, they abandoned their efforts on ACS and jumped on board to be one of the early adopters, one of the four early adopters who were ACS courts including Fresno and a couple others to take the criminal case management V2 system. That effort went on from about 2002, to 2003 -- 2002 to 2004, and because of various logistical issues, it turned out that Fresno was the only court where V2 was deployed and it left San Luis Obispo kind of out there after a significant effort in terms of trying to roll out V2 and deploy V2 in their court. In for 07 we decided -- too to go in the direction of V4 as the final ultimate system for the courts statewide in. And San Luis Obispo having waited patiently to get a Case Management System agreed to jump on boards as an early adopter court -- they waited for it to come on board. Of Case Management System itself is a disaster. It's on the verge of failing. It periodically goes out. It's a combination of [Inaudible] Based old sustained

system, and DOS based system covering different case types as well as I think you have a number of 21 other.

>> 20.

>> 20 other cobbled together systems. They're 30-plus years old. There are no -- they have -- the vendor doesn't support the systems anymore, they're not updated, they're not maintained and I think the only person that knows about the systems is retired and 80 years old. Do I have that right.

>> [Inaudible] .

>> So they have been a strong supporter, to their detriment, as it turns out, to have a statewide system. You folks yourself know that during the past year Judge Crandall, has come up repeatedly to support the effort on V4 and now they have pretty much nowhere to go unless a case management unless they acquire a Case Management System. We have -- the committee has discussed this. It was a fairly late breaking issue in terms of dealing with the issue. We have a couple of meetings on it. Last Monday we were looking at two proposals, one to fund San Luis Obispo so they could acquire the software and acquire the hardware and pay the development costs for our Case Management System for them since they're not getting the V4 Case Management System. The alternative proposal was not give them any money. Those were the proposals presented by staff and I think that's part of the idea that all options are mutt out on the table. We met against last Monday, and by the suggestion of one of our members we thought we might have a middle road and that's item one in the report. After, that was without consultation without San Luis Obispo and that was discussion and agreement among ourselves. When San Luis Obispo was provided with the option, it was basically to nonstarter because that was really an option that -- again, extended the sort of like carrot out in front of them without any assurity of having funding. And before we made a final decision on funding to engage in the actual process of going through the request, the RFP process, which is -- for those courts which have gone through, anyone else at the CEO level, it's extremely time consuming in terms of what the court has to put through. What's our time line on the RP.

>>> Like four months.

>> Posted and completed with selection and negotiation some time in the early fall.

>> Some time in the early fall. They would need to go through all of that process and I think as part of our report we do have a sort of punch list that's about 20 items long that they would have to go through diverting staff and not have the benefit, if you will, of knowing whether they had funding at the end of the effort. So we have not had the time to have a committee meeting per se. But talking to all members of the committee, and if anyone disagrees tell me, we concluded that option one is a nonstarter for San Luis Obispo. What we really should be faced with at this point is whether we recommend up to \$3.3 million which is funding that was originally supposed to go to Ventura County, and out of the -- 1011 years. The 10-11 budget years was supposed to pour Ventura as an early adopter. When Ventura decided not to go forward it remained there and it would be available to support the acquisition of software/hardware and pay the deployment costs for San Luis Obispo. And so it's likely we'll

address that in some detail in a moment. On behalf of the committee, correct me if I'm wrong, but there's support among substantial members of the committee, don't know if it's -- to look at option three which is to keep that \$3.31 million encumbered so that San Luis Obispo can acquire a system. So, with that, Judge LaBarbera, do you on behalf of your court have anything you want to say?

>> I do. Thank you. All right, good morning to everyone. Madam Chief Justice, members, thank you for having me. I appreciate the chance to talk to you. I'm hopeful that you did all read the separate fact sheet that puts together kind of the sorted time line we have been dealing with. We did begin this process in '99. We did seek with AOC's help but -- and our own money, and again for whatever it didn't proceed. We went to V2 and that was pretty much -- I don't want to say we were forced but we were encouraged. When the region became the southern region and we were supposedly in collaboration with V2. Again, we had money, but it was going to be no cost -- we decided to do it. Each time we tried to develop the system and tried to be cooperative with AOC, we have used our experienced staff to build the system, train people, to work on it, to test it, and so we would hire temporary people to take their place which impacted our operations three times now. Our staff each time has been extremely enthusiastic about the program. I know the Chief Justice visited -- whenever that was, Chief -- I don't remember it was a while ago and I'm sure she saw the energy for V4. It was the same for V2. We absolutely endorsed it. The staff embraced it. As was said, Judge Crandall was up here, and judge [Inaudible], we had every chance to try to do what we could do to help not only the court but the statewide solution, if you will. The result was we built a reputation for good hard work, good organization, and we were able to, I believe, get V4 ready. I think it did work, the Chief mentioned it worked. Other people mentioned it worked and for budget reasons and other reasons it's gone. We absolutely made a development make it work and we were about to accomplish it when the sad tale began. So we were, once again, without a system. We've been without a system for 12 years. Really dysfunctional for the last 6. We don't have a civil system at all. It's costing us roughly \$500,000 a year. It used to cost \$1 million. We reduced the cost. It was so pathetic that we couldn't even get itemized billing and we got charged every stroke for when we utilized. We have been limping along. We have 20 other applications to work traffic and other aspects of the work. The end result, we cannot improve efficiency and any of the things that original county and others were able to do. Just six weeks ago we closed down the public computer which would allow public abscess to our records, if you will. We couldn't separate out the records that were not available, should not be public. Treatment courts, people with dismissals, we could not separate it out. We closed it and now we have to do all of it by hand. Susan Matherly was not able to do be here today. Her position that we may be back to manual. It's is that -- that bad. We simply don't have a way to generate civil work and the criminal work is the mainframe and will eventually go away as the county, D everyone is off the mainframe but us and it's just one other agency. We are a collaborative -- [Inaudible] Embraced -- our staff was down there that we were able to be institute V4, they spent staff time and money and they are very interested in a integrated system. We believe that we can put together an integrated system. I want to mention, because it's RFD you know it's going tock a competitive process. I would be surprised if it came near the \$3.3 million or \$6 million. But we are frugal and will not spend a nickel that doesn't need to be spent. We have not hired anyone nonessential people for six years. Two managers have not been replaced. We've gone furloughs, cost savings we're a frugal, well managed court, and if we get this funding we will manage it well and think you'll be proud of what we come up

with. I think it will help with other courts. Somebody want me to stop? I will [ Overlapping Speakers ] .

>> I want you to finish. I will make a motion.

>> But I am finished.

>> Chief Cantil-Sakauye: He's finished and ready for your motion

>> [Inaudible] .

>> Chief Cantil-Sakauye: We have discussion after a motion.

>> I move approval of option number three.

>> I'll second that. Judge Jackson and discussion Judge Wesley.

>> I usually vote no on these things and will not in this case. I won't be on the council next year.

There are a lot of court spending their reserves right now on IT systems. They'll see the council giving trial court trust fund money to San Luis Obispo. I thought this -- I talked with Susan Matherly, they need a system, no question, but you need to distinguish this court, and I guess the cases made that they invest a time and energy and money for CCMS they didn't get it. But there are other courts that have delayed their IT systems waiting for CCMS also that are going to be coming to you and saying give me money but you're not going to have the money. So you're making the choice here. I am not saying it's a bad choice, but you're making a choice where other courts will come to you and you should be prepared for them to come to you and for them to say, why give them, why not me. I have heard it from the [ INAUDIBLE ] Of presiding judges. We have not always heard it here but I'm sure Judge Rosenberg has heard it also. When you take trial court trust fund money if you don't take it, it goes back to the trust fund and used by others. When you do this, you set up the council for a lot of requests from a lot of different courts. Having said that, Los Angeles also v. the same system [Inaudible] And sustained DOS. Jim and I disagree on work arounds but we have the basic systems, legacy systems also failing. If I came to you from Los Angeles and said give me money 2 wouldn't be \$3 million. It would be more than your entire IT budget right now. So -- and some I'm just telling you that in the future, I may come back to the court as -- when I become presiding judge of Los Angeles and say, I have IT problems too and we're going to -- we're an early adopter of CCMS also. I'm just making the point of I'm going to vote in favor of this because I think your court needs this and the money has been encumbered but I'm making a point that we're treating you special different from other courts in recognizing that today.

>> Chief Cantil-Sakauye: Alan Carlson and Justice Ashmann-Gerst, Judge Baker, David Yamasaki, and Mary Beth Todd, and Judge Rosenberg.

>> Thank you. I will be on the council next fall but still can't vote. Of all the execs, I don't know a single one begrudging. We the branch owe [Inaudible] A system and no one has the

problem on the exec side for giving them the money.

>> Chief Cantil-Sakauye: Justice Ashmann-Gerst.

>> There's another case to be made. Judge Wesley makes the case that we give them special treatment and may regret it later on but I think there's another case to be made. I think that when you take a look at the survey, you have 31 courts that want to be part of a consortium and that includes San Luis Obispo. They're going to go out and do this, I believe, as a template for many other courts. So even though the money will be spent initially tied to San Luis Obispo, Jim should correct me if I'm wrong, but we will be able to use this as a template for other courts and save a lot of money for a lot of other courts.

>> Chief Cantil-Sakauye: Thank you. Judge Baker.

>> Judge Wesley makes some good points. I favor the motion too. And near-term it was the distinction, it's easy to make. They have the need. They detrimentally relied upon the council's assurance that they're early adopter, they were a team player in the development of CCMS, and did product testing for us, and most importantly this is not a bridge too far. Back on March 27, 2012, we specifically carved out SLO as a court that we -- to quote from the motion back then -- that we would develop alternatives for the Superior Court of San Luis Obispo county to meet the Case Management System needs. We made that promise when we pulled the rip cord on CCMS. Today we need to make good on it.

>> Chief Cantil-Sakauye: David Yamasaki.

>> Thank you, Chief. I'm an advisory member. I would vote in favor for this reason. I don't view the approval as a gift to San Luis Obispo. I view it as a partnership. Partnership for the entire branch to move forward past CCMS because there's another option that we have. We need to find option solutions for this branch. This is the maiden voyage. I think we should applaud San Luis Obispo for being up front, being able to take the risk and show us the failures or the successes, presumably more successes than the other. But it's not a gift to San Luis Obispo. I assure you, having been involved in the deployment in the system in a court, it's one of the most difficult tasks that a court will face. They will have financial burdens that they will have to assume over and above the cost of the project in addition to the taxing impact on the resources, the diminished resources, staff resources, that they will have.

>> Chief Cantil-Sakauye: Thank you. Mary Beth Todd?

>> I share judge Wesley's concerns. I have every empathy with them -- meeting new Case Management Systems is like needing new hardware or a brain, it's what runs the courts. I want to ask a question. I think this is going to set a road map for moving forward. As other courts find themselves in the same situation. As far as the due diligence from the financial side, I heard they were paying one million, they're down to a -- \$500,000 a year. Was there an exploration of how those dollars could be used to leverage San Luis Obispo forward with a Case Management System scenario? I'm not suggesting from the stand point that I think they need to do that, but as other courts come forward, we need to start working with those courts to help come and take the

dollars they're spending now and see if they can be re-leveraged so that perhaps we're not having to fund an entire system. It's a matter of assisting so the courts can get up and running to have a return on investment and that somehow might come back. I think we really have to think this all the way through. If you have a good functional system, I can only imagine you're spending a lot of time right now because of your disparity systems and that you will see a return on the investment. Maybe not for San Luis Obispo but as we move forward with these projects, we need to be thinking in those terms. What do you have that we can leverage, what do you hope to gain which can be leveraged and look at a loss for assessing how we can move these projects forward as efficiently as possible.

>> Chief Cantil-Sakauye: Thank you, Judge Rosenberg.

>> Thank you. From time to time as a trial judge I'm called upon to make unusual case findings. I think that San Luis Obispo has made the case for an unusual case finding. Clearly, there are other, many other trial courts that are currently or soon will be in need of new systems, but in this case, I think the factors support San Luis Obispo based on the history. And I agree with Justice Ashmann-Gerst, you're going to be kind of the Leif Erikson here for many other trial courts. I expect you will not mess it up. You will do a very good job, but you will be setting many precedents for other courts, and I'm certainly hopeful that many courts -- maybe most courts -- can go a similar route and we can have a level of interconnectivity state wide.

>> Chief Cantil-Sakauye: Thank you. Judge O'Malley.

>> [Inaudible] Is one of those courts. We're hoping that you're going to streamline this process for us. You're probably going to spend, you know, more money, your own money, in addition to this that we give you to complete this process. I'm hoping that as you get through it, it will be down in such -- done in such a way that my court is not going to have to spend the amount of money that you're going to have to spend for this deployment. I thank you for taking the lead on this. I am more than happy to give you this well deserved money. It's not a gift. You deserve it. Again, are you going to be leading the path for courts like mine who are in a very similar situation so that we are going to be able to benefit from your hard work and the future money that you're going have to spend for deployment. So, again, thank you.

>> Thank you.

>> Chief Cantil-Sakauye: We had the motion and the second. Any further discussion before I call the vote. All in favor of option three please say AYE.

>> [AYE]

>> All opposed?

>> [Quiet].

> -- passed unanimously.

Grab some coffee.

We're going to item P.

We have folks calling in for item P.

[Coffee break]. Motion passed UNANIMOUS LY.

>> Chief Cantil-Sakauye: We're going to get started. For your information, item O has been crossed off the list to cover another day when we have more information. We'll start with item P, our last item on the agenda. Trial courts

[ Overlapping Speakers ] we have with us today, David Warner, we have Rosa Junqueiro, Executive Officer, Superior Court of California, County of San Joaquin.

>> I don't think you're on.

>> I'm sorry. Presiding Judge David Warner, Rosa Junqueiro, Mr. Alan Carlson, Executive Officer, Superior Court of California, County of Orange, Judicial Council member, Ms. Kim Turner, Executive Officer, Superior Court of California, County of Marin, and Mr. David Yamasaki, Executive Officer, Superior Court of California county of Santa Clara, and Jody Patel.

>> Thank you Chief, council members. We appreciate the opportunity to present to you the San Joaquin assistance review team. We call that CART for short. And our report of recommendations for you today. As you recall, the CART was implemented in response to a request from the Judicial Council at your meeting December of 2011. The AOC regional office assist San Joaquin Superior Court to determine whether there were additional cost saving measures and ways to increase revenue for emergency funding and a loan to the San Joaquin superior court. For this effort, we sought out five court executive officers with expertise in specific subject areas as well as experience in similar Case Management Systems to request their assistance in visiting and meeting with the court to identify if they had suggestions or recommendations based on their experiences and -- in their respective court. And I want to express my heart felt gratitude to the five executive officers. We have three of them here. Alan Carlson, Kim Turner, David Yamasaki. Kitty Torre, the court executive officer of Contra Costa, and Mike Planet, court officer of Ventura court. For their willingness and participation in volunteering their valuable time, their expertise, as well as their subject matter expert staff in assisting us and in assisting San Joaquin. Each of the court execs took time out of their busy schedule along with their staff visited San Joaquin courts, worked with Rosa, Judge Warner, it was a great partnership. Very good collaboration. I also want to take the opportunity to thank Judge Warner as well as Rosa Junqueiro for their warm welcome and willingness to meet and provide information to various CART members that were coming and going from your organization at the same time like you like all of the other courts were looking at your own budget reductions and implementing those. It's obviously a challenging time for all of the trial courts and we commend you, Rosa, and your team for working with the multiple CART members to achieve all of the recommendations that are before the council here today. I want to thank staff, some key staff, at the AOC who were extremely instrumental in working with all of our court executive officers as well as Rosa and her team. Pam Reynolds and Maureen Dumas



from the regional office were very, very instrumental in pulling together all of the different information that each court executive in their team were able to gather from San Joaquin Superior Court as well as Curt Soderlund [Inaudible] , for lending their subject matter expertise as different issues and questions were coming up. To provide a little bit of background two the council on how this effort was conducted, the CART project began with the creation of a business plan that we worked on together with the five court executive officers as well as Rosa. That established the goals and objectives and the ground rules for this effort. We kicked off this effort in February of this year, so it's only been four short months, but we wanted to come back to the council in a timely manner with some recommendations. And a lot of coordination needed to take place with Rosa and her team. The CART members visited San Luis Obispo in the months of February, March, and April, and met with judicial officers, court management, court staff, to interview, observe, and discuss existing operations and administrative functions. And attachment S, part of the Council reports provides details on the dates and the individuals in attendance for the various meetings. Based on the meeting, the CART members and their team made recommendations for the CART members to review. Once the CART team as well as my staff met and reviewed all 6 the recommendations we decided on which ones to move forward with and those are included in your packet of information today. I should say that we broke out for each court executive officers different subject. As an example, Alan Carlson and his team led the probate and juvenile team and looked at those areas in the court. And Mike Planet from Ventura has CCMS V3 in his court as well as San Joaquin court and led the [Inaudible] Team. Kitty Torre led the [Inaudible] Team. She was instrumental in that area. Kim Turner led the criminal and family law team. In Kim's court, Marin Superior Court, she has the same criminal system that Rosa has in San Joaquin so that was a great fit. And David Yamasaki led the revenue assessment team. He's done a fabulous job in Santa Clara court in regards to additional revenue and he's been instrumental in that area. I want to turn it over to David, Kim, and Alan, and they can share a little bit about the specific recommendations and some of the discussions that we've had. But before I turn it over to David, I just want the Council to know that we have folks on the phone. Maureen Dumas and Pam Reynolds from the northern central regional office and I believe Kitty Torrey was going to join us by phone. Kitty, are you there? Okay. Maybe not. But we do have the NCRO staff. David?

>> Thank you, Jody, Chief, members of the council.

For this segment, I wanted to speak briefly about the recommendations and the responses that we received from the San Joaquin court. But before I do that, I wanted to give you a little background on the team that's been involved with reviewing the processes that were in place at the court. In the materials that you have there, you see four members of the court, five members of the courts as well as the AOC staff, but what is not listed is approximately 25 individuals, 25 subject matter experts that we asked to join us in this endeavor. And they have decades of experience, not only evaluating different programs that the courts have, but also implementing and managing the processes to make sure that they operate very effectively. Without their assistance, we obviously could not have come up with the recommendations, so we're very grateful for all of the people that participated in this process. So as you all can see in the recommendations, there's 74 -- there's 74 recommendations that we reviewed collectively. Some of them were honed further based on the input that we received from each other, and quite frankly many of us learned new approaches to the way we were doing business. So we came away from this process even more informed in the way we do business. Of the 74 -- I think there

were 69% or 51 of the recommendations that were adopted outright by San Joaquin court. In addition to that, there were 21 recommendations, or 28%, that the court had already concluded they were going to proceed with the recommendations. There were two recommendations that were identified in the report that were not supported and I'll identify them as one involving a process for compiling minutes and the other one involves the actual closure of two facilities to consolidate activities. They, I believe, provided some additional background information on the challenges in proceeding with those particular recommendations. But I will tell you that during the process of our review, both the leadership of San Joaquin as well as the staff that our teams interacted with were met very positively by the team at that court. One of the things that we came away with was that all of the individuals that we interacted with were very, very hardworking and very conscientious and were trying to do the best that they can amidst the challenges that they face, and we all face fiscally. So we're very, very pleased to receive that type of reception and report. And we on many occasions had to circle back with the folks there to clarify issues and every time they were very, very positive in that regard and that is what allowed us to come to the conclusions in the short amount of time that we had to evaluate.

>> I wanted to add that this process was very fast. It was very fluid. It was very energized. We should rename CART yes, we can. Because I tell you, this group seized the day. It was a *carpe diem* moment for the court executives, their teams, and Rosa and her court to try to turn around a process that should legitimately take months and months and months to do and in a comprehensive way and so forth. First of all, I wasn't to thank Rosa and are Judge Warner and, Rosa your team was phenomenal, turning around information for us, welcoming us, and always making the right resources available we so appreciated your very welcoming attitude to this process. But I also want to doing -- go back to something that David said because I think that it really -- I want this to really resonate with the Council. When the five court execs and their teams got together to talk about the their recommendations, one of the things they said it's so true, is that we learn something. We think that we're doing all we can do but yet every one of us walked away with new ideas, different strategies and approaches. So the value of doing this kind of analysis does not inure to the benefit of the recipient court but inures to the benefit of all the participants in that process. For that reason, one of things that we hope come out of the process, Rosa and I talked about its sort of like peer review. It's a process that can develop and sort of germinate new ideas that can be used and shared by all courts. One of the things we're looking to do is try to develop a sort of a repository of the generic and the proprietary ideas that came out of this process. For example, we talked about best IT practices, things that should happens regardless of your court size, regardless of where you are in the system, how you should actually maintain disaster recovery protocols and where service -- that kind of thing. It's sort of a generic best practice that we would like to make sure goes on the list. Court reporter practices, how to effectively mansion transcript costs and that kind of thing. It's another thing that should be on a list that would be generic and could be used by any court, large, small, or in between. So the idea would be to develop sort of a bunch list of things that any court that is facing financial difficulties -- and I would say that would be 58 courts right now -- should make use of the list and make use of the repository to ensure that before you say, you know, we've done everything we can do, here are some things that you ought to be on the list of ideas that you at least run through and say, yes, we're doing it already, or we have a constraint that we can't implement now but are looking at it. It's an important take away from the process. Every one of us, every court in this room has an idea about what they're doing well and what they could use a little help with.

What we learned is even the things that -- I brought my subject matter experts in criminal and family law, we walked away with criminal and family law ideas with this round discussion. It's a great opportunity for all of us.

>> After we got together as a group, to comment, we realized there were common themes that we want to share with Council. There's no question that at some point in the next year other courts will come to the Council and ask for funding having been or gotten themselves in the same position that San Joaquin is. We want to talk about shared observations on what. For any, it's the fourth recession since I started working in courts. This one was different and it kind of snuck up on us in how long and how bad it was in a sense. The reactions at first were let's do things like fur close, or one time kind of reductions and hopefully we get past and the money comes back. And after a couple of years you realize it doesn't work because you can't do enough of those to match the depth. And then you look at the other things, business process for organizing, and re-engineering, and organizing. Kim was talking about, we can get a list first of all the courts that have done thing and used the one from here first. Have you thought of this, and this, because there are a lot of things you can do even without doing the one-time things. Without having to do furloughs, having to lay off people. If you can re-[Inaudible] Your system, and re-manage, and re-engineer, you can get the same amount of work done with fewer people. We need to help others accomplish that. That's an important thing you'll be faced with when people come here. The other thing is you have to understand the human side of things. We reached the point clearly that in our cuts that we have to do things we don't want to do, and we have had to do things that we never wanted to do. The say credit cow is present in a lot of things. If you're a PJ or exec, sitting around you, you can say this is one way to do this, and people at the table say it's not conceivable, and you say, actually it's more than conceivable, it's a question of when we do this. So there's a lot of resistance naturally to that and it taking a while to get over the fact that it's not our father or mother's court anymore, it's a whole new deal. It takes a different mentality to change things than to keep it moving. It takes while it shift gears to get from this worked before why can't we keep doing that to no, we have to completely relook at how we are doing this. As I say, I think we as a Council need to look at what they've done and what they do but understand they'll come here in a sense grumpy or not happy that they're in this kind of position but still we kind of, I think, need to be tough love in the sense of saying we're recall in this position. We may be started in different places, but we need to look at everything we can possibly do and minimize the amount of money we need from somewhere else. We do have ways in which we can help them. It was a powerful thing for five other courts to look at a court and a six court. My [Inaudible] Manager is writing down, six major things that we took away from the meeting and see if we're doing that. We're pretty far along, doing pretty well, but still things that we want to check out. There had a lot of valuable lessons. This is a warm up, you have to be the guinea pig but a lot of valuable lessons we learned here.

>> Kim Turner: Can I add a couple things? As you the Council may recall, a couple of months ago we brought the trial court process re-engineering idea initiative. This council authorized us to move forward on that. I wanted to give you a little progress on that. It's been a little slow to get it off the ground. Many competing demands on times of AOC staff and certainly all of us in the last few months but we have a committee that's been instituted. I'm chairing the CEO side. Judge Borris from Orange is chairing the PJ part of it and we're could chairs. He and I are going to be talking in the next week to kick it off and get it going. The CART process dovetails nicely

with the trial court re-engineering. He with want courted to look at the list and we want to provide training, analytical tools, methods and ways to go about the analysis that's required to reengineer processes in the courts. We are going to try to get TCPBR initiative on the fast track now that the budget is behind us. The dust hasn't settled but we need to plunge ahead. I wanted to mention that in talking about how we would perhaps help the courts, one of the things that we did was identified a couple court executive officers who have retired who have long years in the courts, who may be available as resources to the courts to help courts trying to do major re-engineering while they're trying to deal with the chaos that's been created by the budget process. You may remember Cheryl Strickland and Tressa Kenner, both very, very willing to help courts. They would be paid by the courts to come in and say, I need to re-engineer my criminal division, Cheryl, or Tressa, and maybe other CEO that would join the effort and will willing to be in-house consultants that would not need to be on the steep learning curve to understand how the trial courts work, they know it, it's just learning the local culture and being able to work with management teams to do that re-engineering work. So those resources, we're beating the bushes to make them available and to find others to be able to be engage in that. And, finally, I want to once again thank Maureen and Pam. Amazing, amazing work. They were herding cats. We were all over the map. Somehow they got it distilled down. It looks like it was rational. 74 recommendations. I really can't thank them enough for their unbelievable diligence in supporting this group.

>>Jody Patel: Thank you, Kim, Alan, and David. We the regional office staff will continue to work with the working group that Kim just mentioned. The PJ Court Exec working executive group for BPR. The staff has started to pull together a statewide repository, if you will. Not just with the San Joaquin recommendations that we have been engaged in assisting about 10 to 11 other courts in the last couple of years to re-engineer. We'll pull all of that information together and gather that repository and make it very, very accessible to everyone in the branch to do exactly what Kim, David, and Alan just talked about. So with that I do want to give Judge Warner and Rosa an opportunity to share with you their perspective on this process and future plans for how you will be move forward with the recommendations.

>> Ms. Rosa Junqueiro: Thank you, Jody. Good morning Chief Justice and members of the Judicial Council. You know this morning sitting here and listening to all the discussions, there's resonating these four concepts efficiencies, road map, template, and return on investment and as I am listening to all of this, I'm thinking, my gosh, that's everything that I have to say this morning. Bear with me. I, too, would also like to thank the CART members, the court execs, David, Kim, Alan, Kitty, and Mike. Thank you so much for all of your assistance and for your subject matter experts coming to our courts and taking their precious time. I know we all have very little of it these days and sharing your views on your operations in your courts and sharing that with us. I would like to also thank Jody and all of the AOC staff. Zlatko, John Judnick, and Maureen, and Pam. Thank you. Thank you, Pam and, and Maureen -- been making many phone calls. Thank you for your time as well. As previously stated, this process -- and more particularly the CART recommendations -- I believe should be used by all courts as a template or road map to see if we are all operating as efficiently as we possibly can. Furthermore, some of the recommendations can be used as a guide to ensure that we are all imposing the fees that are authorized by statutes. No organization is perfect and we can all make room for improvements. All courts have evolved over time based on the financial resources that they have. In our court,

all of our managers and supervisors are working managers and supervisors. Specifically, they do what is necessary to get the job done. If that means that they have to open the mail because they need other support staff resources to serve customers at the public counters or to work at their desks preparing cases for court, they will do so. Unfortunately, they have -- we have not had the luxury of time to sit back and evaluate the way that we do business to see if there are ways that we can be more efficient. We're in the trenches every one of us. Today we have 251 staff, does not include 16 grant staff positions to process the workload which includes complex criminal felony cases. The types are not the run of the mill felonies, homicide, death penalty, multiple defendant, gang related homicide and special circumstance enhancements just to name a few. In fact, just yesterday an article in the local newspaper announcing that Stockton has the second highest violent crime rate per capita in the state. No applause please. On county 1, 2011 we laid off 45 staff and closed our Tracy branch court and one of our courtrooms in the Lodi branch. When CART arrive it had only been four months since we had to implement the changes. We were in the process of trading staff who were now working in Stockton and supporting case types they never had before. As many of you know, to fully train and cross train staff can take as long as six months to a year. I mentioned that we're in the state of transition and I mention this because although we have lost 98 positions or 29% of our staff in the last three years, all of our staff who remain are the hardest working and most eager staff we have ever had. In fact, all of the time lines for completion of each of the recommendations were self-imposed. Yes, there were suggestions made by CART; however, it was our staff that ultimately set their own time lines. Some, I must admit now are pretty aggressive and optimistic. Some of the recommendations will cost money to implement and some will not. Some recommendations were easily identifiable in terms of the cost implications and/or savings. Others were not so easy. Additionally analysis will be required to fully understand any associated costs and/or savings to the court. Decisions to implement certain recommendations will ultimately be made taking into consideration our return on investment. We realize sometimes you have to spend money to make money. In our case, this has certainly been a will continue to be a challenge. Nonetheless, we have an action plan and to date we can report the following. 20 recommendations or 27 are completed -- excuse me, 27% are completed. 31 recommendations or 42% are scheduled for completion within the next six months; 18 recommendations or 24% are scheduled for completion within the next year; and 3 recommendations or 4% are scheduled for completion one year or longer. It is no secret that our court was and is perhaps still the most under funded court in the Judicial Branch, yet in the last 14 years since the beginning of trial court funding we have managed to run this court on a shoestring budget. However the questions never asked are how do you do it, how have you managed, how have you been able to manage with so little funding. We have always done more with less. We have managed to get the job done. We have managed our operations and then until last October provided access to justice to all citizens in San Joaquin county. This court recognizes we have a lot of work ahead of us. Yet, given our limited funding, we remain committed to providing the best service we possibly can in San Joaquin County. Thank you and I know Judge Warner has a few remarks as well.

>> Judge David Warner: Thank you. I want to take a moment and thank -- from a presiding judge's perspective, thank our staff that spent a lot of time on doing the process and thank all the staff that showed up. There were a lot of people. Each person that came seemed to have a good expertise in a particular field. So it was not a person giving you their perspective perhaps strong in one area and weak in another, we got the best of both worlds in the process. I appreciate all 9

recommendations. Some were alluded to that we did not agree with, but what I got out of the process was that you do need to stop and take time occasionally and look and see how things are working. My comment in that regard as goofy as it may sound, it's hard to analyze your swimming stroke when you see the alligator gaining behind you. It's hard to worry about some of those things. What this process caused us to do was to say, you know what, your work is going to need to stop for today. You need to spend time explaining what you do, why you do it, how it works, and then listen to them on what they see or do that might be a little different and see how it can be done. Think that we all -- I'm one of the worst at this -- when times get tight, and especially when money gets tight, I have a tendency to fall back and do it the old way. That's how I did it and been done, kind of like if I worked for my dad, it worked for me. This process was kind of a forceful way to stay, stop, look back and you can see how it goes. I think it was a very useful process and I think it will be useful to other courts even though it may not be directed to their courts just to look at it and say, here's an example, does it work for us. I found it somewhat amusing that just prior to CART arriving I was speaking to several clerks one day about a particular issue and as we worked through that issue, almost incidentally they mentioned another process going on. I was thinking, wait a minute, we need to come back to this, what are you doing over here? They started to explain what is going on higher, we said we cannot do that, this is a new day and age that needs to stop. That was only incidentally that I heard that. I don't think we go top to bottom daily. When the CART report came up -- had I not had the conversation, the CART report would have pointed it out to our attention. I think more often than that, we accidentally find out about things and try to fix them and change them as we think is appropriate. In any event, it caused us to stop and do that all at one time. I think there's value in doing that. I want to mention briefly the IT issue. I sympathize with San Luis Obispo. I want to do that because almost 25% of the recommendations are IT related. We have a huge IT problem. No issue with the recommendations that were made and, in fact, we are whole heartedly in support of those recommendations, but specifically with three items. You know, we've worked our way into that hole, and in some fashion we've actually worked our way there for certain reasons. We need an IT manager. Our IT manager passed away suddenly a little over a year ago. We made a decision, started through the process to replace the person, got through the budget was not going well, getting worse, we were told the next year would be worse and we said, you know what, let's wait. Maybe we can cost for a while, slide under the IT system and get through. Well, I think you can second-guess that decision. I second-guessed that decision, but you're on the fly and working with a budget and doing the best you can. We decided that that's not realistic and the CART process agreed with that. We now have a new IT manager that will start in just a few weeks but it was budget that drove that decision. That's happened in several other areas. With the IT equipment, part of the recommendation was you need to replace some of the equipment. You think the stuff is old. Our standard response to IT is, this does that piece of equipment still work? If they say yes, my next question is, is it smoking or burning because if it's not, you're going to keep using it. You should have seen the look on our new IT manager's face and looked at the equipment, not only the equipment, the room it's in, not adequately ventilated and the sprinkler right over head. And he had a fit. In fact, we asked the question, are you still on board here [Laughter] . That's the problem we face and the driving force behind that has been a lack of money. That's an easy place, in my view, to divert money from and keep other things running because that piece of equipment still works. At some point it catches up with you. CART has pointed up that it catches up but and we're trying to take steps to address that. The final IT area I want to address is the criminal Case Management System. We

have [Inaudible] As does Marin and a few other courts. We are beholden to the county for CEJS. They run it, keep it, and when they bill us for it, I question what we're paying for. That little item is over \$1 million of our budget. When you have a budget like ours, it's a million dollars you can't afford. Here's your options. You have a criminal Case Management System or not? We don't have enough IT staff, not enough money to get somewhere else, we saw V4 out in the future, until March, and thought there's our answer. Just keep it going and maybe not in March but shortly thereafter we'll have V4 and CEJS problem worked out. Fortunately, one of the CART members has CEJS as well as. We're riding on Marin's colt tails. They're doing a thing calls lift and [Inaudible] . We hope they're successful and quickly so we can get behind them or we'll have a lot more discussions with San Luis Obispo about what they're doing ask we'll see as the statement was made what they do that we can do somewhat so we don't need to re-invent the wheel. We don't have the staff to reinvent the wheel more do we have the money. That's an IT area that has been -- that is just in bad shape and in a manner of speaking has gotten there with our actions because we were moving money to try to keep the system going. And I suspect that that situation we've gotten ourselves into, many people if they're not there are going to get there soon. When you start to divert money to keep things going, unless what you diverted it from wasn't really important, sooner or late tier catches up to you. Last item relative to the recommendations that I wanted to mention, when we do purchasing, we have kind of a two-fold approach to that. If something needs to be purchased, our first question is, is it absolutely necessary. Do you have to have that? And if the answer is question, okay, what are the -- yes, okay how do we get it cheaper, generic, buy it used, lease it, barter for it. We see it over there, maybe we'll take some of their pencils -- we do everything to keep it as in-expensive as it can be. But again you can only play that game for so long before it catching up to you. As I think Alan said, the idea that we see the turn around and the money comes back and fills in is not on the horizon.

We continue to deal with that. As always, we'll do what I think most courts do and that is we will try to be as efficient as we can, think in the future we'll spend at least some more opportunities of stepping back from business and saying are we still doing it right. Could we do it better.

Because as I said at the outset, I find my nature to be when things get stressful, when you're short of money, you kind of fall back to your old habits. I am concerned that that could happen. I think the CART report is a way to see it doesn't happen to go back through occasionally and say, are we still doing this or are we back to the old way. I think as Judge Wesley said earlier, sometimes new people come in and you don't realize they don't have all of that information. You think they do. But they don't. We want to be sure there are processes in place so that the new ideas keep moving forward and don't get lost along the way. We'll do as good as we can with whatever we get. No matter how wad it is, that's the only option we've got. At the end of the day, the San Joaquin county residents deserve an appropriate justice system and we'll work as hard as we can do that in-spite of what the state is doing to us in the process. Our goal is to provide them with an adequate justice system. And we with appreciate, really do appreciate all the time that CART spent hopefully making that a little bit better and more efficient.

If you're more efficient, that brings up money to put some where else. We do appreciate the time and effort they spent.

>> Thank you. Justice Hull.

>> Justice Hull: Just a few thoughts, we're getting close to our ending time here. When I read the report I was very, very impressed with the approach and the effort of the CART team, and the CART team members and the approach, and the cooperation and the warm reception by.

>>: Is County. It's really very satisfying thing to watch. We seem at these meetings in a general sense to be constantly faced with difficult news and asked to make difficult decisions and that's not going to end. But I think this earth shows the vast potential that the branch has for cooperation and coordination in moving the branch forward in a unified way that does not un-duel impinge upon local courts searching their communities appropriately. If you'll indulge a personal matter, I got back to the hotel last night and thinking about the meetings on Wednesday and Thursday and feeling really quite satisfied myself about the way the Council approached the ditch decisions relates to the SEC, just how impressive it is. So many people work so hard on so many different projects that I am just very pleased to be a member of that effort. We all look at these things through our own personal experiences, and for those of you who know me personally, you may know yours ago I achieved my private pilots certificate. I use to the fly quite a bit. For those of you familiar with it on the instrument panel of the airplane there's a climate dissent indicator telling you if you're climbing or descending, it's not a difficult concept but sometimes when the nose of the airplane is up that doesn't mean you're climbing, to the contrary. You're always taught you need to look for a positive rate of climb. I think for the first time in the meetings I personal am experiencing a positive rate of climb and this is another indication of that and I appreciate everybody's hard work. Thank you.

>> Chief Cantil-Sakauye: Thank you, Justice Hull, I would like to point out, we have a letter that summarized what we said. It's not in the packet we would like to hand that out.

>> Chief Cantil-Sakauye: Thank you, presiding Judge Warner.

>> The management guru Steven Covey, you know, urges organizations in difficult times and managers to use those periods as opportunities rather than wallowing in all of the easy kinds of things and woe is me and all of that kind of thing. This is certainly an opportunity, and while it's cliché-ish to talking about doing more with less, it really provides all of us with an opportunity to look at what -- as Alan indicated -- to look at what we're doing. It provides an opportunity to look at changes that could never politically or organizationally be made under any other circumstances. So that's, you know, there are prides that can be made and I think just as you indicated, the citizens of San Joaquin will be far more pleased to know that you're doing things with less because they're all feeling the same kinds of pressures as we are. Hearing that we have to have more money or -- that will come, but if he can garner the citizen's support for the branch, we're trying to make things better under the circumstance, I think we'll be all well served. And finally, the thing, Rosa, that we did in the old LA municipal court, one of the managers came up with having supervisors and everybody catching people doing things right and celebrating successes. So when you see a clerk do something right and do something that doesn't have to be extraordinary, but that's when they need a pat on the back. That behavior needs to be recognized so that you build and encourage it. And I think we as a Council need to build and encourage exactly what's going on here. Thank you.

>> Chief Cantil-Sakauye: Thank you. Well said, Fred. Thank you. We appreciated the presentation. I think we all take away from, all of us, at all levels of the courts, of ways to



improve. Thank you very much. We conclude today's meeting as we often do sadly with a remembrance of our judicial colleagues recently deceased. So first want to start out with Justice Margaret Morris. The first woman to serve as an associate justice and later presiding judgments of the Court of Appeal for the Appellate district. She began her career in 1963 when Governor Pat Brown appointed her to the San Bernardino court. And other judges, Earl Cantos, San Diego County. And Ragar Engerbretsen, Orange County. Kenneth Hake, Sacramento County – Clarence Knight, San Mateo County, and Honorable Edgar Taylor, Santa Clara County. All were retired from the bench we honor them for their service to the courts to the cause of justice. Thank you all for the last three days and your endeavoring efforts to the cause of justice. Our next Judicial Council meeting will be regularly scheduled. July 27. Safe travels. Thank you

>> Thank you.

>> Thank you..