



JUDICIAL COUNCIL OF CALIFORNIA

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on December 16, 2016

Title	Agenda Item Type
Judicial Branch Budget: Budget Change Proposal Process	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	December 16, 2016
Recommended by	Date of Report
Judicial Branch Budget Committee Hon. David M. Rubin, Chair	November 18, 2016
	Contact
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Executive Summary

To promote the efficient, fiscally prudent, effective, and fair allocation of branch resources in advancing statewide judicial branch interests, the Judicial Branch Budget Committee recommends approving a new process for budget change proposal preparation, approval, and submission to the Department of Finance.

Recommendation

The Judicial Branch Budget Committee (JBBC) recommends that the Judicial Council approve the following budget change proposal (BCP) process, effective immediately:

1. Between October and March, Initial Funding Requests (IFRs) (Attachment A) are submitted to the JBBC by Judicial Council advisory bodies and other requesting entities. The JBBC

reviews the IFRs and determines which IFRs should be developed into BCPs or BCP concepts (Attachment B) as necessary for further advisory committee consideration;

2. Between April and June, IFRs are developed into BCPs (Attachment C) and all applicable advisory bodies, as identified in the original IFR, are given the opportunity, as time permits, to provide input. Advisory bodies prioritize BCPs within their purview for submission to JBBC for its review;
3. No later than two weeks before the July Judicial Council meeting, the JBBC reviews unsuccessful BCPs from the prior fiscal year and suggests which old BCPs should be included as part of the new budget year package. The JBBC then organizes and prioritizes all BCPs for further review;
4. At the July Judicial Council meeting, the BCPs are presented to the Judicial Council for final prioritization and approval;
5. In August, after Judicial Council approval and prior to submission to the Department of Finance (DOF), Judicial Council staff completes the drafting of all BCP documents required by the DOF and submits them to the JBBC for review; and
6. In the first week of September, BCPs are signed by the Administrative Director, Judicial Council, and submitted to the DOF on the date determined by the DOF.

The time frames provided in the above process are estimates and may change in order to meet required deadlines or for other reasons identified by the JBBC.

Previous Council Action

Under California Rules of Court, rule 10.101(b)(3), the Judicial Council must “[d]evelop the budget of the judicial branch based on the priorities established and the needs of the courts.” To that end, the council submits budget proposals on behalf of the Supreme Court, Courts of Appeal, Judicial Council, Judicial Branch Facilities Program, trial courts, and Habeas Corpus Resource Center to the Department of Finance. Past practice under this authority included presenting budget proposal recommendations from Judicial Council advisory bodies and boards to the council for approval and prioritization for submission to the DOF.

In July 2016, the Judicial Council established the Judicial Branch Budget Committee to assist the council in exercising its duties under rule 10.101 with respect to the judicial branch budget. The council assigned the committee the responsibility of reviewing budget change proposals for the judicial branch, coordinating these budget change proposals, and ensuring that they are submitted to the council in a timely manner.

Rationale for Recommendation

Under rule 10.101(c)(1), “[t]he Chief Justice and the Administrative Director may take the following actions, on behalf of the Judicial Council, with regard to any of the Judicial Council’s recommended budgets for the Supreme Court, the Courts of Appeal, the trial courts, the Judicial Council, the Habeas Corpus Resource Center, and council staff:

(A) Make technical changes to the proposed budget; and

(B) Make changes during their negotiations with the legislative and executive branches consistent with the goals and priorities adopted by the Judicial Council.”

The state employs an incremental approach for creating its annual budget, using the previous fiscal year’s appropriation as a starting point for discussing the current year’s budget. Budget entities such as the judicial branch use budget change proposals to advocate for additional appropriations. BCPs typically target a specific program or need and seek funding for that item. BCP’s assist the Department of Finance in understanding the budgeting entity’s fiscal priorities.

Funding adjustments in the State Budget must be submitted to the DOF by its deadline the first week of September. For the Judicial Branch Budget Committee to effectively execute its charge, namely to review and coordinate BCPs for the judicial branch and ensure that they are timely submitted to the council, an established process approved by the Judicial Council is necessary. The recommended process provides for appropriate review by Judicial Council advisory bodies of budget change proposal concepts before submission to the council for approval and prioritization. It also provides time for council staff to develop the BCP concepts into the comprehensive BCP documentation required by the DOF in advance of the DOF deadline.

Comments, Alternatives Considered, and Policy Implications

No public comments were received when this proposal was considered at the open Judicial Branch Budget Committee meeting on October 26, 2016.

Implementation Requirements, Costs, and Operational Impacts

The implementation requirement for this new policy includes notifying advisory bodies and impacted Judicial Council staff of the process and applicable time frames.

Relevant Strategic Plan Goals and Operational Plan Objectives

The budget change proposal process addresses several strategic plan goals: Goal II, Independence and Accountability; Goal IV, Quality of Justice and Service to the Public; Goal VI, Branchwide Infrastructure for Service Excellence; and Goal VII, Adequate, Stable, and Predictable Funding for a Fully Functioning Branch.

Attachments and Links

1. Attachment A: Initial Funding Request

2. Attachment B: Budget Change Proposal Concept
3. Attachment C: Department of Finance Budget Change Proposal Document

2018-19 FY Initial Funding Request**Requesting Entity:****Requesting Entity Contact:****Date Prepared:****JCC Office Liaison:****Finance Office Liaison:****Document Tracking Number:****SECTION 1 – Initial Funding Request:**

- A. Working Title:** *The working title should convey who the request is for and what the funding will address.*
- B. Description of Funding Request:** *Provide a summary of the request identifying the problem, measures taken to date to address the problem, and why the problem cannot be addressed within existing resources.*
- C. Estimated Costs:** *If known, provide estimated costs, fund sources, and position information.*
- D. Relevance to the Judicial Branch Budget and Other Funding Requests:** *Provide a brief statement as to how this request fits into the overall funding needs of the Judicial Branch, including previous action taken on similar requests, if any.*
- E. Required Review/Approvals:** *If known, please list all subcommittees, advisory committees, or unique approvers needed to review/approve the funding request prior to submission to the Judicial Council.*
- F. Proposed Lead Advisory Committee:** *Provide a proposed lead advisory committee including an explanation as to why this committee should be designated as lead.*

2018-19 FY Budget Change Proposal Concept

Requesting Entity:

Requesting Entity Contact:

Date Prepared:

JCC Office Liaison:

Finance Office Liaison:

Document Tracking Number:

SECTION 2 – Budget Change Proposal Concept: *Once the Initial Funding Request has been given approval to continue, complete Section 2 to provide additional details about the request.*

Proposal Title:

Fiscal Summary:

Fund Source	Proposed JCC Positions	Total Personal Services	Operating Expenses & Equipment	Proposal Total 2018-19	Proposal Total 2019-20
GF	3.0	\$ 125,000	\$ 25,000	\$ 150,000	\$ 115,000

Proposal Summary: *Provide succinct summary of request – six to eight sentences.*

Background Information: *Provide background details about the program including resources currently dedicated/expended to support existing workload (i.e. dollars and positions); purpose of program, what clientele is being served? Who benefits (i.e. public, courts, other governmental entities).*

Justification: *Explain how this proposal will address or solve the problem. What are the adverse impacts if this proposal is not approved? Why does this have to be done now?*

Fiscal Impact: *Provide a brief recap of costs, methodology, assumptions and future-year costs for this proposal. Where applicable, briefly summarize information regarding proposed fund source and viability of using resources from the proposed fund (can fund support request, potential negative fund balance in future, etc). What actions, approvals or resource requirements from other governmental entities (or courts) are required to implement this proposal?*

Outcomes and Accountability: *How will improvements or changes be measured? How will the requested resources be accounted for and monitored?*

2018-19 FY Budget Change Proposal Concept**Projected Outcomes:**

Workload Measure	2014-15 Past Year	2015-16 Past Year	2016-17 Current Year	2017-18 Budget Year

Other Alternatives Considered: *Include a minimum of three alternatives, provide cost estimates and briefly describe why the alternative is not the recommended option.*

Analysis of Problem

A. Budget Request Summary

B. Background/History (Provide relevant background/history and provide program resource history. Provide workload metrics, if applicable.)

Resource History (Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY
Authorized Expenditures					
Actual Expenditures					
Revenues					
Authorized Positions					
Filled Positions					
Vacancies					

Workload History

Workload Measure	PY - 4	PY - 3	PY - 2	PY - 1	PY	CY
e.g., Applications Received, Applications Processed, Call Volume, etc.						

C. State Level Considerations

D. Justification

E. Outcomes and Accountability (Provide summary of expected outcomes associated with Budget Request and provide the projected workload metrics that reflect how this proposal improves the metrics outlines in the Background/History Section.)

Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
e.g., Applications Received, Applications Processed, Call Volume, etc.						

Analysis of Problem

F. Analysis of All Feasible Alternatives

G. Implementation Plan

H. Supplemental Information (*Describe special resources and provide details to support costs including appropriate back up.*)

I. Recommendation