

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

# Annual Report of the Director



**Leonidas Ralph Mecham, Director**

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Activities of the  
Administrative Office  
of the U.S. Courts

Leonidas Ralph Mecham, Director

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Office of Public Affairs  
Washington, D.C. 20544  
(202) 502-2600

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# Contents

Director's Message .....	1
The Year in Review .....	3
Funding the Federal Judiciary .....	4
Comprehensive Cost-Containment Strategy for 2005 and Beyond .....	4
AO Cost-Containment Initiatives .....	5
FY 2004 Supplemental Appropriations .....	6
FY 2005 Appropriations .....	6
Long-Range Planning Activities .....	8
Judiciary Voluntary Separation Incentive and Early Retirement Programs .....	8
Congressional Relations .....	9
Courthouse Construction .....	9
Judicial Operations .....	10
Judicial Pay .....	10
Judicial Resources .....	10
Ninth Circuit Split .....	11
Victims' Rights and DNA .....	11
E-Government Act .....	12
Dental and Vision Benefits .....	12
Other Legislation .....	12
Judges and Judgeships .....	14
Article III Judgeships .....	14
Bankruptcy Judgeships .....	14
Magistrate Judge Positions .....	15
Inter- and Intra-Circuit Assignments .....	15
Federal Rules of Practice and Procedure .....	15
Status of Proposed Rules Amendments .....	16
Judges' Orientations and Benefits Programs .....	16
Chief Judges' Budget Training .....	17
Financial Disclosure .....	17
International Judicial Relations .....	17
Federal Law Clerk Information System .....	18
Publications for Judges .....	18
Support to the Federal Courts .....	19
Recognizing Achievement and Leadership: Director's Awards .....	20
Space and Facilities Management .....	23
Court Security .....	23
Emergency Preparedness .....	24
Space and Facilities Cost-Control Initiatives .....	24

Financial Management in the Courts .....	26
Assessment of Budget Decentralization Program .....	26
Financial Accounting System for Tomorrow .....	27
Civil/Criminal Accounting Module .....	27
Certifying Officers .....	27
Court Budget Management Web-based Training .....	27
Automated AO Financial Planning and Tracking System .....	27
Audits, Reviews, and Internal Controls .....	28
Audits and Program Reviews .....	28
Internal Controls Handbook .....	29
GAO Studies .....	29
Program Management and Technology .....	30
Juror Utilization .....	30
Study of Alternatives for Providing Administrative Services .....	31
Court Interpreting .....	31
Interpreter Certification .....	31
National Court Interpreter Database .....	32
Telephone Interpreting .....	32
Slip Opinion Printing Contracts .....	32
Statistical Data Gathering and Reporting .....	32
Case Management/Electronic Case Files System .....	33
Electronic Public Access Program .....	34
New Policy and Guidelines for Allowing Electronic Access .....	35
Pilot Project Allowing Electronic Access to Court Transcripts .....	36
Advances in Automation .....	37
Evaluating Alternative Models for IT Service Delivery .....	37
IT Work Center Description and Practices .....	38
Remote Access .....	38
Automation of National Judiciary-Wide Forms .....	38
Records Management .....	38
Computer-Assisted Legal Research .....	38
Congressional Update Collection Project .....	39
InfoWeb Buyout/Severance Pay and Impact .....	39
Central Violations Bureau .....	39
ILS Hardware and Replacement .....	39
ILS FAS <sub>+</sub> T Interface .....	40
Bankruptcy Noticing Center .....	40
Electronic Bankruptcy Noticing .....	40
Workforce Management and Development .....	41
Judiciary Benefits .....	41
Flexible Benefit Program Offers Savings .....	41

Outsourcing Benefits Administration .....	42
Human Resources Management Information System (HRMIS) .....	42
Staffing and Work Processes .....	42
Telework in the Judiciary .....	43
Fair Employment Practices .....	43
Bankruptcy Administrator Program .....	43
Law Clerk Assistance Program .....	44
Workforce Development Emphasizes Cost-effective Training .....	44
Redesign of IT Training Program for Judges .....	44
Contracting Officers Certification Program Training .....	45
Defender Services .....	46
Probation and Pretrial Services .....	48
Cost-Containment Measures .....	48
Study of the Probation and Pretrial Services System .....	48
Probation and Pretrial Services Technology .....	49
Officer Safety and Integrity .....	49
Substance Abuse Testing and Treatment .....	50
Communication .....	51
News and Information are Provided in Many Forms .....	51
Obtaining Feedback from the Courts .....	52
In Profile .....	54
The Administrative Office of the U.S. Courts .....	55
Statutory Authority .....	55
Supervision .....	55
Responsibilities .....	55
Organization .....	56



## Director's Message

Three concerns topped the Administrative Office's agenda in 2004. They were: securing adequate resources for the courts to conduct business, coordinating judicial branch cost-containment efforts, and providing essential support services to the Judicial Conference and the courts. It is difficult to assign a higher priority to any one of these endeavors, since all are inextricably linked. The following is a brief summary of AO activities in these areas.

At the request of the AO, judges dedicated their time, energy, and enthusiasm to meet with, call, and write their local members of Congress and drive home the anticipated impact of inadequate funding on court operations. They were well prepared, armed with data and talking points provided by the Administrative Office. Some AO staff worked closely with bar associations and the news media to educate them about court funding needs. Others were involved in developing staffing and funding scenarios based on anticipated lower appropriation levels, so courts could operate with as little disruption as possible. Court advisory groups provided important input from the courts. In the end, we achieved more than originally anticipated. The hard freeze that once seemed likely was replaced by a small funding increase of 4.3 percent, which, although insufficient to cover court workload growth and built-in cost increases, was greater than the increases received by most executive branch agencies. The efforts of judges and AO and court staff clearly paid off: Congress appeared to recognize the importance of adequately funding the Third Branch of government.

Nevertheless, the budgetary climate is likely to be austere for several years and the cumulative impact of lower-than-needed funding on Judiciary programs over the past three years is significant. The courts were forced to slash six percent of their workforce in fiscal year 2004. The Administrative Office held 10 percent of all its jobs vacant. Like the courts, the AO



**Leonidas Ralph Mecham**  
Director

has been controlling its own costs for several years and will continue to do so. In fact, over the past decade AO staffing has remained essentially unchanged while court staff levels have grown by 18 percent. In 2004, the AO cut out all non-essential travel and training, and implemented other cost-saving reductions. Even so, it is clear that the Judiciary's workload keeps increasing while available resources continue to decline. As the Judicial Conference has concluded, the Third Branch needs to better understand and rethink how it conducts business. The Administrative Office is a fully engaged partner in this mission.

This past year, with the approval of the Chief Justice and under the leadership of the Executive Committee of the Judicial Conference chaired by Chief Judge Carolyn King (5<sup>th</sup> Circuit), the Judiciary launched an unprecedented system-wide cost-containment effort. As with our campaign to obtain funding, judges and court staff throughout the country stepped forward to propose cost-saving innovations and efficiencies. Conference committees are actively involved in this effort. Dozens of short- and long-term cost-saving measures have been reviewed and analyzed and this process continues. I am pleased that in its fiscal year 2005 funding bill Congress specifically recognized the leadership of the Administrative Office for cost-containment efforts.

In September 2004, the Judicial Conference unanimously approved a sweeping cost-containment plan proposed by the Security and Facilities Committee, which includes a two-year moratorium on courthouse construction. During this time, the Judiciary will conduct a comprehensive review of its space and facilities program. We need to address the growth in the rent the Judiciary pays the General Services Administration—currently 22 cents out of every dollar Congress appropriates for running the courts. This figure rises at least 6 percent each year, a rate of growth significantly greater than our annual



appropriations increase. Late this fall, meetings were held with both GSA and the Office of Management and Budget top leaders, seeking to reduce the Judiciary's rent, and this will remain a very high priority in the coming year. Perhaps the greatest challenge is how to control growth in courthouses and personnel at a time when caseloads and security demands are projected to increase.

While some initiatives are prompted by concerns over costs, others simply represent good government practice. Increased workforce efficiency, more effective use of technology, review of compensation practices, and other avenues will be fully explored. The quality of justice cannot be sacrificed, yet a premium needs to be placed on new ways of doing court business that are less costly.

At the direction of the Judicial Conference, the Administrative Office continued to pursue an active legislative agenda. While we made some progress, judgeship legislation was not enacted during this Congress, largely because the House majority leadership has said that no new positions will be created until the Ninth Circuit is split. New judges at all levels, and in particular in the courts of appeals and bankruptcy courts, are essential to the effective operations of these courts.

For the sixth consecutive year, Congress approved a cost-of-living adjustment, which provided judges and members of Congress with a 2.5 percent increase in compensation. The Administrative Office stands ready to go to work on improving judicial pay in the coming year, should the Judicial Conference decide to do so in this challenging economic and fiscal climate. The enactment of multiple federal courts improvement bills will be a high priority in 2005. Rather than just a single bill as in the past, the bills would contain several provisions that would assist with court operations and would also give the Director the authority to establish a supplemental medical benefits program.

The Administrative Office and the courts have joined together to help more than 130 bankruptcy and district courts move to the Case Management/Electronic Case Files (CM/ECF) system, and we are on track to move the courts of appeals to CM/ECF. The ability to file documents over the Internet has be-

come extremely popular with the courts and the bar, and over 16 million cases now are stored on the CM/ECF system.

This year we finished implementation of a new human resources information management system, which means that for the first time, the entire Judiciary will use the same personnel and payroll system, and eventually will eliminate all paper transactions. The Financial Accounting System for Tomorrow, known as FAS<sub>4</sub>T, is now operating in every circuit and district court. It interfaces with a number of systems that already provide financial data and will improve court financial management practices. All district courts also are using the Probation and Pretrial Services Automated System. This case-management and case-tracking tool also has been linked with personal digital assistants so that probation officers can access critical case information when they are in the field.

We continue to explore new models for conducting court business more efficiently and at the lowest possible cost, with particular emphasis on information technology services that can help the Judiciary realize economies of scale. An important study of alternatives for providing administrative court services also is in progress.

Significant progress has been achieved in emergency preparedness, and the majority of federal courts now have worked with the Administrative Office to develop a continuity of operations plan. The AO's off-site Court Operations Support Center will become fully operational in the coming year, assuring that key administrative, technical, payroll, and financial services will continue uninterrupted in the event of any manmade or natural disaster.

This year marked the 65<sup>th</sup> anniversary of the creation of the Administrative Office. In past annual messages I have pledged that the AO stands ready to deal with unexpected issues sure to arise in the coming year. While I renew this vow for 2005, it is two familiar challenges that are likely to consume the most energy: securing adequate congressional funding and continuing the cost-containment campaign. These two goals stand side by side. The AO is focused and dedicated to their pursuit. ■

## The Year in Review



**“Without the funding increases needed to address [the courts’] growing workload, I believe the judicial system, and those who depend on it to resolve disputes, will begin to suffer.”**

—Judge John Heyburn II, chairman, Judicial Conference Budget Committee



## Funding the Federal Judiciary

Underlying the focus on cost-containment options was the Judiciary's commitment to its core missions, values, and responsibilities to the public to render justice fairly and expeditiously.

### Comprehensive Cost-Containment Strategy for 2005 and Beyond

In March 2004, Chief Justice William H. Rehnquist charged the Executive Committee, chaired by Chief Judge Carolyn Dineen King (5<sup>th</sup> Circuit), with conducting a comprehensive review of the policies and practices, operating procedures, and customs that have the greatest impact on the Judiciary's costs, and with developing an integrated strategy for controlling these costs.

Unprecedented funding challenges face the Judiciary in FY 2004 and over the next several years due to overall budget constraints. For the past two years, the Judiciary has received funding that was inadequate to meet its needs, and estimates of probable future funding when compared to estimated needs show a growing gap approaching \$848 million by FY 2009.

It was clear that fiscal year 2004 budget shortfalls could worsen in FY 2005. During FY 2004, AO staff coordinated the review of 271 supplemental requests from courts seeking additional financial resources in the amount of \$22 million. Due to budget limitations, only \$5.5 million in supplemental funding was distributed. Supplemental funds were provided for courts to downsize their staffs via buyouts and involuntary separations; for salary funding for courts where salary allotments fell below 96 percent of payroll requirements; and for critical non-salary operational requirements.

Planning for FY 2005 and beyond, the Executive Committee enlisted the assistance of chief judges, court staff, advisory groups, Conference committees, and the AO staff led by Associate Director Pete Lee, to scrutinize all spending categories, with the focus on whether expenditures—even though needed or

desired—are affordable in the current budget climate. The Executive Committee and other Judicial Conference committees generated and reviewed hundreds of ideas. Individual teleconferences included the 10 committee chairs with funding responsibilities. Judge King asked the committee chairs to identify “quick hitting” action items that could be implemented immediately to reduce costs in 2004 and 2005, as well as long-term cost-containment ideas for 2005 and beyond. Committees proposed initiatives for the Executive Committee to consider incorporating in its overall cost-containment strategy. Underlying the focus on cost-containment options was the Judiciary’s commitment to its core missions, values, and responsibilities to the public to render justice fairly and expeditiously.

This massive effort was completed in five months with the Executive Committee’s strong leadership, with active involvement of Conference committees, and with extraordinary staff support from the Administrative Office. Thousands of staff hours were dedicated to this effort; virtually all AO units played a part.

At its September 2004 session, the Judicial Conference approved the long-term cost-containment strategy for the Judiciary presented by the Executive Committee. The strategy incorporates suggestions from all 10 Conference program committees, and includes these major components:

- impose tighter restraints on future space and facilities costs;
- trim future staffing needs through re-engineering work processes and reorganizing functions to increase efficiency, and by employing different staffing techniques;
- explore fair and reasonable opportunities to limit future compensation costs;
- invest wisely in technologies to enhance productivity and service, while controlling operating costs by revamping the service-delivery model for national information-technology systems;
- study and implement cost-effective modifications to defender services, court security, law enforcement and other programs; and

- ensure that fees are examined regularly and adjusted as necessary to reflect economic changes.

Administrative Office staff will continue to support Judicial Conference committees in developing and implementing these and other long-term cost-containment initiatives, which will be a major focus over the coming years and will assist the Executive Committee in its monitoring and coordination role.

### **AO Cost-Containment Initiatives**

The AO began a review of programs it manages for the courts, such as information technology, training, etc., to parallel the strategic review of the Judiciary budget initiated by the Executive Committee in March 2004. Anticipating future budget reductions and the possibility of a hard freeze on appropriations for FY 2005, broad spending restrictions were implemented. These measures made it possible to maximize balances that could be carried forward from FY 2004 to FY 2005 and to operate within the constraints of the continuing resolution. Under the restrictions, AO offices proceeded only with essential activities required to support the Judicial Conference and its committees and ensure continuity of court operations.

Because 93 percent of the AO budget is required to cover compensation and benefits costs, specific attention was focused on containing personnel costs. Since 1995, total AO staffing declined slightly, while the court staffing grew 18 percent. Funding increases have not been sufficient for many years to keep all AO positions filled, and the AO has continuously maintained a substantial number of vacancies. During 2004, nearly all AO positions that became vacant were not filled, increasing the vacancy rate from 66 to over 100, or from 5 percent to nearly 10 percent of authorized positions by the end of the year.

As a consequence, AO staffing declined to a point below the 1991 level. Each directorate developed workforce restructuring plans to be prepared to operate, if required, at 10 percent below current levels in FY 2005. To assist in the restructuring effort, approval was sought from and granted by the Office of Personnel Management for early-out retirement for

AO employees. Other personnel cost-cutting steps taken included reducing the salary progression factor incorporated in the budget, acquiring temporary help through local sources at little or no cost, and when positions are filled, hiring at entry or lower pay levels.

Travel was restricted to mandatory requirements in support of Judicial Conference committees, continuing court operations, and implementing approved information technology projects. The use of teleconferencing and videoconferencing was emphasized. Training was deferred unless required to continue essential functions. Orders for contracts, services, supplies, and equipment were restricted to those absolutely essential to the continuation of AO and court support functions. IT project funding was cut. The AO's computer equipment replacement cycle, already a year longer than the courts' cycle, was extended even further for lack of funds. Many other initiatives are underway to contain and reduce future costs, such as reducing office-automation equipment replacement costs by categorizing personal computer users based on the level of use; transitioning appropriate publications from hard copy to electronic format and distribution; and reviewing, eliminating, and consolidating library materials and online services.

### **FY 2004 Supplemental Appropriations**

The Judiciary submitted a FY 2004 supplemental request to Congress totaling \$55.7 million. The request included \$39.2 million for the Courts Salaries and Expenses account to prevent reductions in court staffing, and to pay for critical information technology and infrastructure expenses; and \$16.4 million for the Defender Services account to cover the projected shortfall in panel attorney payments. Over the course of the year, the anticipated shortfall in Defender Services grew to \$26 million.

No additional funds were appropriated for the Salaries and Expenses account shortfall, and the courts lost over 1,350 jobs due to hiring freezes, involuntary separations, buyouts, and early retirements. However, panel attorney payments were spared from suspension in August, when a supplemental of \$26 million for Defender Services was included in P. L. No. 108-287, the Department of Defense Appropriations Act, 2005.



### **FY 2005 Appropriations**

The House of Representatives passed the fiscal year 2005 Commerce, Justice, State and the Judiciary (CJSJ) appropriation bill, H.R. 4754, on July 8, 2004. The House bill provided the Judiciary with an overall 8.4 percent increase, and a lesser total increase for the courts' Salaries and Expenses account of 5.6 percent. Under this funding level, current services could continue but without allowances for workload growth. The House bill would have funded almost all other Judiciary accounts at or very near a current-services level.

On September 15, 2004, the full Senate Appropriations Committee cleared its version of the fiscal year 2005 CJSJ appropriations bill (S. 2809). The bill provided a 4.8 percent increase for the Judiciary overall. The increase to the courts' Salaries and Expenses account was the equivalent of only 3 percent, after adjusting for the transfer of Federal Protective

**The Judicial Conference Executive Committee met in Washington, D.C. in July to review the proposed preliminary fiscal year 2005 financial plan for the federal courts. The plan incorporated many cost-containment ideas recommended by Judicial Conference committees.**



**Administrative Office Director Leonidas Ralph Mecham and Judicial Conference Budget Committee Chairman Chief Judge John Heyburn II urged the House Appropriations Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies to support the Judiciary's FY 2005 budget request.**

Services security charges to the Court Security Account. Under the bill, courts stood to lose an additional 570 employees from end-of-2004 staffing levels—which represented a loss of nearly 1,350 employees from end-of-2003 staffing levels. Nearly all Judiciary accounts were funded significantly below current

services in the Senate bill, which never came before the full Senate for a vote. Congress recessed in late October with nine appropriations bills pending, including the Judiciary's.

Fiscal year 2005 began under a series of continuing resolutions (CRs). To avoid interruption to court operations under the CRs, the Executive Committee of the Judicial Conference approved an interim financial plan. When temporary allotments reflecting a 4 percent increase were issued on October 1, 2004, all courts were advised to refrain from hiring and from purchasing non-essential goods and services, pending a final financial plan.

The fiscal year 2005 CJSJ appropriation was ultimately included in an omnibus bill (H.R. 4818) with eight other spending bills passed by the House and Senate on November 20, 2004, during their lame duck session. After a delay for necessary amendments unrelated to the Judiciary, the President received and signed the bill, P. L. 108-447, on December 8, 2004.

The overall bill was fiscally lean, providing a freeze, or zero growth, in discretionary spending government-wide. The Judiciary fortunately fared better, with a final funding level of \$5.426 billion, a 6.1 percent increase overall. However, the final Salaries and Expenses appropriation for the courts was \$4.125 billion, a lesser 4.3 percent increase over FY 2004, and slightly above the amount assumed in the interim financial plan approved by the Executive Committee. This amount will prevent further loss of staff and the courts may be able to fill some vacant positions.

The Defender Services account received a 2005 budget of \$667.3 million, an 11.6 percent increase over 2004. The final bill also provides for a \$160 increase in the hourly rate paid for capital case representation, and allows for an increase in the statutory case maximums.

The Fees of Jurors account is nearly fully funded at \$60.7 million. However, the Court Security account did not fare as well and is funded below FY 2004 levels. Although the final funding level of \$327.5 million represents an increase of \$57.2 million, once the cost of transfer of Federal Protective Service charges from the Salaries and Expenses account is accounted for, the account is approximately \$4.2 million, or 1.5 percent below last year's Court Security level.

With a funding level of \$67.3 million, the Administrative Office is funded at 3.0 percent over fiscal year 2004, as usual, well below the courts' increase. While this funding level will allow the AO to maintain on-board staffing levels, unlike the courts, the AO will be unable to fill any of the vacancies it experienced in FY 2004.

The Executive Committee met in mid-December and approved a final fiscal year 2005 financial plan based on the funding provided in the omnibus appropriations act.

### Long-Range Planning Activities

The Administrative Office supported long-range planning meetings of Judicial Conference committee chairs in March and September 2004. The meetings were led by the Executive Committee's planning coordinator, Chief Judge Michael Boudin (1st Circuit). Committee chairs focused on broad trends and issues affecting the work, resources, and operation of the courts. The overarching planning issue for the past two years has been to address budget challenges by considering long-term changes that may reduce the need for future resource growth.

The planning discussions contributed to the development of a comprehensive cost-containment strategy for the future.

### Judiciary Voluntary Separation Incentive and Early Retirement Programs

The Judiciary's technological advances are reshaping its workforce, at the same time shortfalls in Congressional funding require downsizing and restructuring of many court offices.

In fiscal year 2004, the Judiciary conducted two voluntary buyout and early-retirement program periods, with the second extending into FY 2005. These programs have proven to be valuable management tools, as they afford employees the opportunity to voluntarily separate. As of September 19, 2004, 243 buyouts and 90 early retirements were processed.

In September 2004, the Judicial Conference extended the buyout program through fiscal year 2005. Under the provisions of P. L. 107-296, the Director of the Administrative Office has the authority to approve buyout plans for court units. In August 2004, the Office of Personnel Management (OPM) approved the Judiciary's request to offer early retirement to non-chambers employees of courts and federal public defender organizations throughout fiscal year 2005. Having this expanded authority from OPM permits more efficient and timely approval of courts' requests.

Continued use of the voluntary separation and retirement programs will help court offices that must restructure, delay, and realign positions and personnel in order to fulfill their mission. ■

## Budget Cuts Leave Six Percent of Federal Court Jobs Vacant

**A**s the federal Judiciary awaited its fiscal year 2005 appropriation from Congress, courts already caught in a money crunch slashed 1,350 jobs in the preceding months.

The Judiciary is believed to be the only federal entity that was forced to downsize to this degree, a cut that represents six percent of the employees who worked for clerks of court or probation and pretrial services offices.

The cuts hit both large and small court staffs throughout the country. The Western District of Tennessee lost the highest percentage of its employees from October 5, 2003 to October 17, 2004—30 out of 192, for a 15.6 percent cut. A close second is Alaska, which lost 11 of its 72 employees—a 15.3 percent cut. The Central District of California, based in Los Angeles, lost the largest number—80 of its 957 employees.

"These cuts come at a time when homeland security, criminal, and bankruptcy filings are spiraling upward, and when the fiscal year 2005 budget remains in question," said Leonidas Ralph Mecham, Director of the Administrative Office of the U.S. Courts.

The Judiciary's budget is less than two-tenths of one percent of the entire federal budget. ■



## Congressional Relations

Communicating and working with Congress remains one of the AO's highest priorities as it supports the Judicial Conference and its committees.

During its second session, the 108<sup>th</sup> Congress considered several bills of interest to the Judiciary. Judicial Conference representatives testified at hearings in support of legislative proposals of the Judicial Conference and in response to other issues that could affect the Judiciary.

## Courthouse Construction

Faced with a limited availability of funds from Congress and continued shortages in the Judiciary's operating budget, the Judicial Conference took two actions this year to slow down and reduce costs of the courthouse construction program. At its March meeting, the Conference determined that its FY 2005 funding request for courthouse construction would include only the four space-emergency courthouse projects—Los Angeles, CA; El Paso, TX; San Diego, CA; and Las Cruces, NM—rather than all 19 projects originally scheduled on the five-year plan. At its September meeting, the Conference voted to place a two-year moratorium on all courthouse construction projects except those already under design or construction, and on all courthouse repair and alteration projects except system upgrades.

After the March 2004 Conference decision, the Director submitted to Congress the Judiciary's FY 2005 request for the four space-emergency courthouse construction projects that totaled \$735 million. When the President's FY 2005 budget was developed without adequate funding for these projects, the Judiciary responded.

The combined efforts of Judge Jane R. Roth (3<sup>rd</sup> Circuit), chair of the Conference Committee on Security and Facilities, other judges, Director Mecham, and Administrative Office staff who worked throughout the year with the appropriate congressional delegations and committees to obtain courthouse funding, were successful. The final omnibus appropriations bill for FY 2005 included funding for all four of the space emergency courthouse construction projects at a total funding level of \$442 million, and the 10 repair and alteration projects totaling \$216 million.



Following the Conference decision in September to place a moratorium on courthouse construction and repair and alteration projects, Administrative Office staff briefed the appropriate congressional committees about the reasons for and the impact of the moratorium. Congress has expressed concern about further delays in the completion of courthouse construction projects. However, congressional committees also understand that unless the construction program is slowed down and space is reduced, and unless the Judiciary's operating budget is sufficiently increased, the Judiciary will not be able to meet its rental obligations on the new facilities without substantial staff reductions nationwide. The Committee on Security and Facilities and Administrative Office staff are reviewing all pending courthouse construction and repair and alteration projects, the *U.S. Courts Design Guide*, and space-planning assumptions and projections to determine where reductions might be made.

## Judicial Operations

In the First Session of the 108<sup>th</sup> Congress, the Director, on behalf of the Judicial Conference, transmitted to Congress a proposed Federal Courts Improvement Act. The legislation included several provisions that address administrative, financial, personnel, and benefits needs of the Judiciary, including an authorization for the Judiciary to provide its employees with a supplemental benefits package that would be competitive with those already offered throughout the private sector and by state and local governments. The Judicial Resources Committee has proposed deferring any new benefits in 2005 and 2006, should such legislation be passed. Another provision would create a new federal crime punishing any person who files a false lien against the property of a federal judge.

This legislation was introduced in both the House and Senate and received some bipartisan support but was not passed in either house. While the full omnibus bill was not passed, a few of its provisions (including several new places of holding court) were enacted as part of S. 2873, P. L. No. 108-455.



## Judicial Pay

Federal judges received a 2.5 percent Employment Cost Index adjustment, along with members of Congress and Executive Schedule employees, effective January 1, 2005. Judges have received cost-of-living increases in seven of the past eight years, keeping pace with inflation over this period. But these increases have still not made up for previously denied pay adjustments in the 1990s. The overall compensation of federal judges continues to lag seriously behind the growth of salaries and benefits received by comparable legal positions in private firms and academia.

## Judicial Resources

In the First Session of the 108<sup>th</sup> Congress, the Senate approved a bill that would create 12 new permanent district court judgeships, and two new tem-

**Courthouse construction: "Recognizing the budgetary constraints facing the Congress and the Judiciary in FY 2005 and beyond, the Judicial Conference voted to seek full funding for only the four projects it had designated as judicial space emergencies in September 2003," said Judge Jane Roth (3<sup>rd</sup> Circuit), testifying before Congress in July 2004.**

(July 2003 photo.)

*To* help reduce the future rate of growth in rental costs, the Judicial Conference in September approved a courthouse construction moratorium for 24 months on the planning, authorizing, and budgeting for new projects.

porary judgeships, and convert temporary judgeships in nine states into permanent judgeships. The House later amended that bill to largely reflect the entire Judicial Conference judgeship request submitted by AO Director Mecham to Congress in March 2003—nine permanent and two temporary judgeships to the courts of appeals, 29 permanent and 17 temporary judgeships to the district courts, and conversion of five existing temporary judgeships to permanent positions. It would also confer Article III status on the judgeships authorized for the Northern Mariana Islands and the U.S. Virgin Islands. However, a provision added to the bill in the House to split the Ninth Circuit Court of Appeals into three separate circuits ran into stiff opposition in the Senate. The Congressional session ended without action on this legislation. House majority leaders said there would be no new judgeships unless the Ninth Circuit is split into at least three circuits.

By the end of the 108<sup>th</sup> Congress, 103 nominees were confirmed—18 court of appeals judges and 85 district court judges. At the close of the 108<sup>th</sup> Congress, there were a total of 33 judicial vacancies—14 in the U.S. courts of appeals and 19 in the U.S. district courts. The vacancy rate for district courts has fallen to 2.8 percent but the rate for appellate courts has risen to 7.8 percent. Nine circuit nominees were blocked on the Senate floor by minority senators.

### **Ninth Circuit Split**

The Administrative Oversight and the Courts Subcommittee of the Senate Judiciary Committee held a hearing on the several proposals to split the Ninth Circuit Court of Appeals into either two or

three new circuits and to create new judgeships for the reconfigured circuits. Several judges from the Ninth Circuit testified at the hearing, including Chief Judge Mary Schroeder and Senior Judge J. Clifford Wallace, who argued against the proposal. They noted the costs and administrative hassles that would result, cited recent statistics, and described the implementation of new internal procedures to generate significant improvements in the workload and operations of

the court. Judges Diarmuid O'Scannlain and Richard Tallman presented numerous sets of statistics concerning the geographic and workload burdens associated with the current composition of the circuit and argued that the plans for the Nakamura courthouse in Seattle could be modified to house a circuit headquarters at minimal cost increases over expected expenditures.

Late in the session, the House approved an amendment to the pending judgeship bill to create a three-way circuit split. The Senate failed, however, to take up the bill before adjournment.

### **Victims' Rights and DNA**

On October 30, 2004, the President signed into law the Justice for All Act of 2004. The law includes provisions pertaining to victims' rights and DNA testing. The victims' rights provisions require the Department of Justice to notify victims of federal crimes of the various rights afforded them, including the right to be reasonably protected from the accused; the right to notice of any public court or parole proceeding involving the crime, or of any release or escape of the accused; the right not to be excluded from any such public court proceeding; the right to be reasonably heard at any public proceeding in district court involving release, plea, or sentencing, or at any parole proceeding; the right to confer with the attorney for the government; the right to full and timely restitution as provided by law; the right to proceedings free from unreasonable delay; and, the right to be treated with fairness and respect for dignity and privacy.

The law further provides that if there is an allegation that any of these rights has been denied by the

district court, the victim or government may petition the court of appeals for a writ of mandamus. The Administrative Office must submit annual reports to Congress stating, for each federal court, the number of times that relief is denied upon assertion of a victim's right, the reason for such denial, as well as the number of times a mandamus action is brought, and the result reached.

The DNA provisions address the large backlog of DNA evidence that awaits analysis, authorize funding to promote use of DNA evidence, and establish rules for post-conviction DNA testing of federal prison inmates and for the preservation of biological evidence in federal criminal cases.

## **E-Government Act**

On August 2, 2004, the President signed into law amendments to the E-Government Act of 2002 to implement Judicial Conference policies on privacy and public access to electronic case files. In requiring Supreme Court rules to protect privacy and security concerns related to electronic filings and public availability of electronic documents, the new law allows for a rule that would protect personal data identifiers, including social security account numbers, from public disclosure.

## **Dental and Vision Benefits**

On December 23, 2004, the President signed P. L. 108-496 authorizing the Office of Personnel Management to establish supplemental group dental and vision benefits coverage programs by 2006 for all federal employees—including judges—their dependents, and retirees. Coverage would be available regardless of whether an individual was enrolled in the federal health benefits program. The program would be voluntary and enrollees would pay the entire cost of the premiums.

## **Other Legislation**

The Judiciary also was interested in several bills that could have affected its operations but were not enacted. Judges, Director Mechem, and Administrative Office staff worked to raise congressional aware-

ness of relevant Judicial Conference positions as the legislation, summarized as follows, was considered.

### **Bankruptcy Reform Legislation**

Early in the 2004 session, the House took up a bill passed by the Senate in 2003 to extend Chapter 12 of the bankruptcy code (family farmers), but substituted the language of bankruptcy reform legislation that had previously passed the House.

The reform legislation included several provisions of concern to the Judiciary, including a bankruptcy judgeship provision superseded by the Judicial Conference recommendation of September 2002, and creating a duty on the part of the bankruptcy clerks to maintain and control access to federal tax returns filed by debtors. It also specified a duty on the part of the bankruptcy clerks and the Administrative Office to collect and report financial data of debtors, revision of filing fees and re-allocation of derived revenues to the Executive Office for United States Trustees, and direct appeal of bankruptcy cases. The Senate took no action on the House-passed bill before adjournment.

### **Drug Crimes**

The House Judiciary Crime Subcommittee approved drug crime legislation with various provisions opposed by the Judicial Conference. These included mandatory minimum sentences, direct amendment of the sentencing guidelines, and narrowing of the "safety valve" provision enacted in 1994 to ameliorate some of the harshest results of mandatory minimum sentences with respect to first-time non-violent drug offenders.

### **Social Security Account Numbers**

The House Ways and Means Committee reported out legislation to prevent misuse of Social Security account numbers. The bill would prohibit the public disclosure of redacted Social Security account numbers by a "judicial agency" effective six years after the promulgation of implementing regulations by the Attorney General, unless those regulations provide for an exemption. It would subject access and control of Social Security account numbers by Judi-

*The* Judicial Conference reiterated its support for a national solution to help resolve asbestos personal injury claims.

ciary employees to regulation by the Commissioner of Social Security.

***Congressional Oversight of Government Telecommunications Program***

AO staff testified before the House Committee on Government Reform regarding the collaboration of the Judiciary with the General Services Administration to provide the federal courts with a comprehensive set of integrated, cost-effective and highly reliable voice and data services.

***Class Action Fairness Act***

Class action legislation passed the House in the first session and was considered by the Senate late in the second session, but the 108<sup>th</sup> Congress ended without class action reform. The bill would generally have provided for original federal jurisdiction over class actions involving minimal diversity between adverse parties where the amount in controversy exceeds \$5 million in aggregated damages. The legislation would also have provided special rules for the removal of class actions from state to federal court.

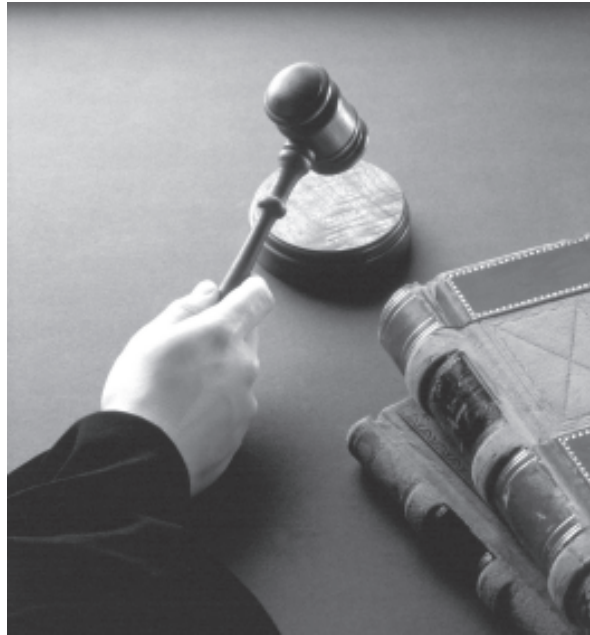
The Judicial Conference adopted a position in March 2003 recognizing that the use of minimal diversity of citizenship may be appropriate to the maintenance of significant multi-state class action litigation in the federal courts. The Conference continued to oppose class action legislation with jurisdictional provisions that are similar to those in the bills introduced in the 106<sup>th</sup> and 107<sup>th</sup> Congresses.

***The Fairness in Asbestos Injury Resolution Act of 2004***

During the first session, the Senate Judiciary Committee favorably reported asbestos legislation by a slim margin. Revised asbestos legislation introduced and debated in the Senate during the 108<sup>th</sup> Congress was not passed. The legislation would have established a non-adversarial administrative processing system for the resolution of asbestos personal injury

claims to have been administered by the Department of Labor. The legislation would generally have applied to pending asbestos cases in federal and state courts.

During consideration of asbestos legislation in the 108<sup>th</sup> Congress, the Judicial Conference reiterated its support for a national solution, which it first urged Congress to support in 1991. It also commented on provisions in the asbestos legislation affecting the administration of the federal courts. ■



## Judges and Judgeships

Overall compensation of federal judges continues to lag seriously behind the growth of salaries and benefits received by those in comparable legal positions in private firms and academia.

### Article III Judgeships

At the request of the Subcommittee on Judicial Statistics, AO staff worked with the Federal Judicial Center to develop new case weights for the district courts, based on input from judges nationwide, which the Committee on Judicial Resources approved in 2004. The Subcommittee also reviewed the materials and standards to be used in the 2005 Biennial Judgeship Survey of Judgeship Needs and developed preliminary recommendations for additional judgeships in the courts of appeals and district courts. In addition, the Subcommittee responded to cost-containment proposals from the Executive Committee, addressed improved statistical data collection and reporting within the Judiciary, and discussed the Conference policy regarding release of judge-specific data.

### Bankruptcy Judgeships

There are currently 324 authorized bankruptcy judgeships. The Judicial Conference has a statutory duty to report to Congress every two years on the need for additional judgeships. To assist the Conference in fulfilling this duty, the Committee on the Administration of the Bankruptcy System conducts a national “additional needs” survey of all judicial districts. Administrative Office staff prepare statistics for review by the districts and circuit councils, conduct on-site surveys of requesting districts, and produce detailed reports and recommendations. During the 2004 survey, additional judgeships were requested by 31 districts. The Bankruptcy Committee will make its recommendations to the Judicial Conference at the March 2005 session.

AO staff supported the rules committees' work during 2004, and also advised them on some 39 separate pieces of legislation introduced in, or passed by, Congress that could affect the federal rules of practice, procedure, and evidence.

assignments. Both guidelines were approved by the Chief Justice in July 2004. The Chief Justice approved both guidelines in July 2004.

Since additional bankruptcy judgeships were last authorized in 1992, the combination of inadequate numbers of authorized judgeships and a record-breaking national bankruptcy caseload has caused a judicial crisis in many bank-

The Senate approved 28 bankruptcy judgeships—the first since 1992. The House insisted on linking judgeships to bankruptcy reform legislation, which failed in the Senate Judiciary Committee.

### Magistrate Judge Positions

In fiscal year 2004, there were 487 full-time and 50 part-time magistrate judge positions, and three combination clerk-magistrate judge positions. For fiscal year 2005, another eight new full-time positions were authorized by the Judicial Conference, two of which represent conversions of existing part-time positions to full-time status. The increase is due to district courts' caseload growth and their expanded use of magistrate judges.

### Inter- and Intra-Circuit Assignments

The Conference Committee on Intercircuit Assignments reported that between January 1 and June 30, 2004, the Chief Justice approved a total of 56 inter-circuit assignments for 44 Article III judges. To help evaluate the costs and benefits of the program, the Committee recommended that the Administrative Office collect additional data on inter-circuit assignments. The Committee also requested the Committee on Judicial Resources to consider collecting data on *intra-circuit assignments* to ensure that data are collected on all visiting judge assignments. After determining that there should be more flexibility given to courts for requesting inter-circuit assignments, the Committee recommended to the Chief Justice a change to the guideline related to the lender-borrower rule. The Committee also proposed to the Chief Justice a new guideline related to long-term

ruptcy courts. Over the past year, 10 bankruptcy courts awaiting authorization of additional bankruptcy judgeships utilized intra-circuit and inter-circuit assignments to address their overwhelming caseloads. Intra-circuit assignments also help single-judge districts when a conflict of interest arises for the resident judge.

For the 12-month period ended June 30, 2004, bankruptcy judges reported 8,954 hours voluntarily assisting other districts. Bankruptcy judges reported expending 3,677 hours on intra-circuit trial-and-case-related work. Inter-circuit assignments accounted for 2,577 hours of extra-district service during the same time period. Administrative Office staff monitored and reported extra-district assignments, and assisted in identifying bankruptcy judges available and willing to serve on inter-circuit assignments. Nine retired bankruptcy judges were voluntarily recalled to participate in extra-district assignments. An average of 35 bankruptcy judges were recalled to service in FY 2004.

### Federal Rules of Practice and Procedure

The Judicial Conference Committee on Rules of Practice and Procedure and its five advisory rules committees propose amendments to the rules that govern all federal court proceedings and affect the entire legal system.

AO staff supported the rules committees' work during 2004 and also advised them on some 39 separate pieces of legislation introduced in, or passed by, the Congress during FY 2004 that could affect federal rules of practice, procedure, and evidence. Staff now use an electronic document management system to

file, review, edit, search, index, and track rulemaking documents.

Public comment now is accepted on proposed amendments to the federal rules of practice and procedure via the Judiciary's improved and expanded Federal Rulemaking Internet web site, at <http://www.uscourts.gov/rules/>. Users can review Rules Committee minutes and research the legislative history of rules amendments considered during the past decade.

### Status of Proposed Rules Amendments

On April 26, 2004, the Supreme Court approved amendments to the Federal Rules of Bankruptcy and Criminal Procedure. The amendments to the Criminal Rules include comprehensive style and substantive amendments to several rules, which took effect on December 1, 2004.

The Judicial Conference approved additional amendments to the Federal Rules of Appellate, Bankruptcy, Civil, and Criminal Procedure at its September 2004 session for submission to the Supreme Court. The proposed amendments to the Appellate Rules included a new rule establishing comprehensive procedures governing cross-appeals. Proposed amendments to Criminal Rules 29 (judgment of acquittal), 33 (new trial), 34 (arresting judgment), and 45 (computing and extending time) permit a court to extend the time for filing post-trial motions under these rules in certain conditions. Proposed new Criminal Rule 59 (magistrate judges) deals with the handling of dispositive and non-dispositive matters by a magistrate judge.

### Judges' Orientation and Benefits Programs

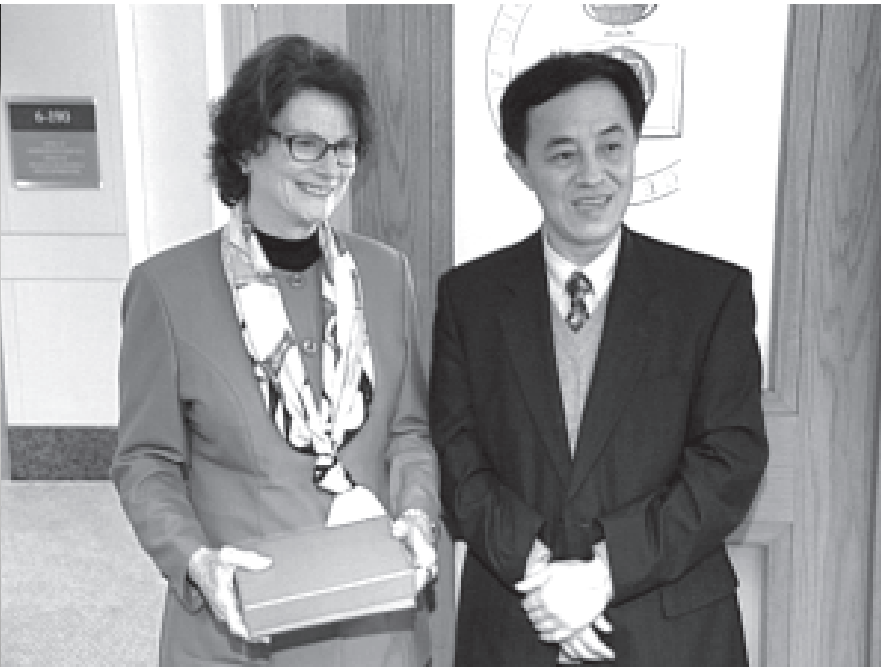
Last year, staff conducted orientations for Article III and Article I judgeship nominees on topics such as judicial governance, court personnel and procurement management, chambers staffing, judicial ethics, benefits, and personal security. Chief judge orienta-



tions address information targeted to their management and oversight responsibilities. A program of personalized follow-up sessions for relatively new chief judges who have identified specific needs for information has been temporarily discontinued due to budget constraints. In addition, in response to magistrate judges' requests, the Administrative Office offered a presentation on the history and progress of the magistrate judges system.

Information on benefit choices and retirement options also was presented to judges at various stages in their careers. Particular efforts were dedicated to providing information to judges and their spouses related to the Federal Employees Group Life Insurance (FEGLI) open season. Several programs were presented as part of the Federal Judicial Center's live

**The Judges Information Series of publications added a title during 2004 covering travel regulations for judges. Staff work with committees to develop concise reference publications for judges, in response to frequent requests for information.**



**Judge Fern Smith (California-Northern) greeted a delegation from China, one of many international judicial visitors to the Administrative Office during last year. Judge Smith chairs the Committee on International Judicial Relations.**

and video orientation programs for new Article III judges, bankruptcy judges, and magistrate judges, including programs related to retirement planning.

### **Chief Judges' Budget Training**

Throughout FY 2004, the AO staff provided instruction and training to

more than one dozen chief judges participating in the Chief Judge Orientation sessions sponsored by the AO. These briefings highlighted the chief judge's roles and responsibilities with regard to financial management, stewardship issues, and a general overview of the Judiciary's budget process. Additionally, staff reviewed current budget and staffing data with the judges pertaining to their respective court units.

Staff also participated in the Federal Judicial Center's annual seminars for bankruptcy and district court chief judges. At these sessions, chief judges were briefed on the potential budget shortfalls facing

the Judiciary in FY 2005 and beyond. They were also encouraged to contact and educate their local congressional delegations about the Judiciary budget.

### **Financial Disclosure**

The Judicial Conference Committee on Financial Disclosure and the Administrative Office informed new judges on financial disclosure filing requirements and procedures, with live and video orientations sponsored by the Federal Judicial Center. Training programs for judges' secretaries and judicial assistants included information to help them assist judges preparing their financial disclosure reports.

This year, at the direction of the Committee on Financial Disclosure, the Administrative Office began a review of the Judicial Conference regulations governing the release of financial disclosure reports. Established internal operating

procedures were reviewed to identify ways of making the release and redaction process more efficient while minimizing the security risks and workload burdens for the Judiciary's filers. Initial staff efforts have reduced the time to process public requests for copies of judges' financial disclosure reports by about 50 percent.

### **International Judicial Relations**

Maintaining an international dialogue about the rule of law continued to be an important task for the Judicial Conference Committee on International Judicial Relations and the Administrative Office this past year. Requests for information and assistance came from the judiciaries of other countries, international organizations, and U.S. Government agencies involved in judicial reform and rule-of-law activities. In 2004, The AO hosted approximately 200 Russian judges as part of the Open World Program sponsored by the Library of Congress, which also took the judges to state and federal courts around the country. Briefings were also conducted for 65 international



delegations, including over 445 judges, court administrators and other officials from more than four dozen countries. U.S. judges and court administrators participated in many of these briefings via videoconference.

Administrative Office staff also initiated a project to record the experience and insights of U.S. judges and court administrators who have been involved in international judicial reform and rule-of-law activities. Staff interviewed over 25 judges and clerks in person or by telephone.

Briefings on bankruptcy court operations were held at the AO for visiting Russian judges of the Arbitrazh Courts, which handle commercial disputes. Staff also conducted briefings on the bankruptcy court system for a judge and court administrator from Japan, and contributed to a monograph by the International Association of Insolvency Regulators with an article discussing the problem of abuse of the reorganization process.

## Federal Law Clerk Information System

The Federal Law Clerk Information System (FLCIS) lists law clerk employment opportunities within the federal courts on the Judiciary's public web site, [www.uscourts.gov](http://www.uscourts.gov). In 2004, 60 percent of all judges participated in the program. The database proved to be a useful resource for potential law clerk applicants, supporting more than 4,600 search inquiries per day by year's end. A sudden increase in inquiries in July and August indicated that potential applicants used the system to search for clerkship opportunities earlier than in years past. Efforts are ongoing to provide assistance and advice to judges on the benefits of the system.

## Publications for Judges

The Administrative Office is in the final stage of revising the Judges Information Series handbook, *Getting Started as a Federal Judge*. The second edition of this booklet, scheduled for publication in the coming year, includes significant revisions to reflect administrative, legal, legislative, and policy changes

since the original publication of *Getting Started* in 1997. The revised publication includes a new chapter on judges' stewardship responsibilities, substantive updates of pay and benefit information, and significantly updated sections relating to information technology programs for judges, statistics, emergency preparedness, and security.

In addition, work was completed this year on *A Brief Guide to Judges' Travel* and a companion "quick reference" brochure, made available on the Judiciary's intranet. This resource, the ninth title in the Judges Information Series, offers a concise description of the travel regulations and policies applicable to U.S. judges.

Various memoranda have been sent to the courts summarizing significant recent cases that address the authority of magistrate judges. In addition, newly updated bulletins and supporting material on the effective use of magistrate judges have been distributed to courts seeking advice on this topic. ■

## Support to the Federal Courts



**“Three concerns topped the Administrative Office’s agenda in 2004. They were: securing adequate resources for the courts to conduct business, coordinating judicial branch cost-containment efforts, and providing essential support services to the Judicial Conference and the courts.”**

**—Leonidas Ralph Mecham, Director, Administrative Office U.S. Courts**

## Recognizing Achievement and Leadership

### Director's Awards

Each year, the Director solicits nominations of federal court employees who have made outstanding contributions to the Judiciary. The Director's Award for Outstanding Leadership recognizes managerial employees who have contributed on a national level, through their leadership skills, to improvements in the administration of the federal Judiciary. The Director's Award for Excellence in Court Operations recognizes employees for achievements in improving the operations of the federal courts within four categories: Excellence in Court Administration, Excellence in Court Technology, Excellence in Court Support, and Excellence in Mission Requirements. The Director's Award for Extraordinary Actions recognizes Judiciary employees for ensuring that the mission of the Judiciary is met during adverse situations by displaying creativity, bravery, and resourcefulness.

Twenty-two Judiciary employees were selected for recognition in 2004.

The recipients of the Director's Award for Outstanding Leadership were:



**Douglas Burris**, Chief Probation Officer  
United States District Court,  
Eastern District of Missouri

*Major accomplishments: Developed progressive initiatives to improve the quality of life and future options for persons under supervision.*



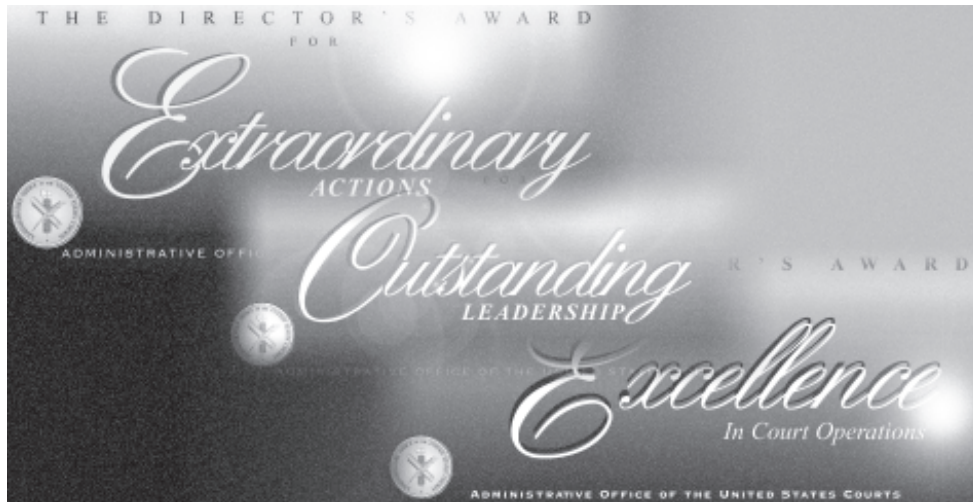
**James J. Waldron**, Clerk  
United States Bankruptcy Court,  
District of New Jersey

*Major accomplishments: Contributed to major improvements in court business processes and community outreach.*



**Lawrence K. Baerman**, Clerk  
United States District Court,  
Northern District of New York

*Major accomplishments: Demonstrated outstanding effort at improving court service to the public through sound budget management and use of technology applications.*



The recipients of the Director's Award for Excellence in Court Operations were:

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**Court Administration**

**Brenda W. Steutermann**, Financial Manager  
United States District Court,  
Western District of Kentucky

*Major accomplishments: Served as a visionary leader and mentor in the nationwide implementation of the Judiciary's new automated financial management system.*



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**Court Technology**

**Douglas C. Palmer**, Systems Manager  
United States District Court,  
Eastern District of New York

*Major accomplishments: Helped create user-friendly technology applications to streamline and improve court service to the public.*



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**Mission Requirements**

**Ellen J. Krause**, Chief Probation Officer  
United States District Court,  
District of Delaware

*Major accomplishments: Was instrumental in advancing the Probation and Pretrial Services Automated Case Tracking-Electronic Case Management System and in articulating professional standards for officers.*



**PSI Shell Team of Ten, United States District Court, Southern District of Florida**

- **Virginia S. Cataldo**,  
Supervising Probation Officer
- **Edward L. Cooley**,  
Probation Officer Specialist
- **Helen Davis**, Office Manager
- **Gregory R. Jenkins**,  
Probation Officer Specialist
- **Katherine T. Koonce**,  
Deputy Chief Probation Officer
- **Barbara L. Lavin**,  
Divisional Systems Specialist
- **Mark D. Mussatto**, Systems Manager
- **Slavica Nikolic**, Programmer
- **Michael J. Thompson**,  
Supervising Probation Officer
- **Oscar Valdivia**, Web Developer



*Major accomplishments: Developed an efficient electronic database to standardize the writing of essential pre-sentence investigation reports.*

The recipients of the Director's Award for Extraordinary Actions were:

**Group Award - United States District Court, Western District of Tennessee**

- **Ron Dowling**,  
Systems Technology Division Manager
- **Jessee Gan**,  
Senior Systems Engineer
- **Ike Mussleman**,  
Court Technology Engineer
- **Sonya Kay Pettigrew**,  
Deputy-In-Charge
- **Marion A. Stevens**,  
Automation Specialist
- **Laura G. Vanzandt**,  
Procurement Administrator



*Major accomplishments: With tremendous dedication, team spirit, and tireless effort, successfully relocated and resumed court business just a few days after a major tornado destroyed their courthouse workspace. ■*



## Space and Facilities Management

Nearly all courts nationwide reported having plans in various stages of development for maintaining or quickly resuming court services following natural or manmade emergencies.

### Court Security

#### **Management Study and Survey by the U.S. Marshals Service**

The Administrative Office and the Judicial Conference Committee on Security and Facilities worked closely with the U.S. Marshals Service (USMS) on two initiatives mandated by Congress in the FY 2003 Omnibus Appropriations Act, P. L. No. 108-7. That Act required the USMS to conduct an independent study of the protection provided the federal Judiciary, including the Court Security Officer Program. It also required the USMS to survey each federal courthouse and location where federal court is held, including leased facilities. The final report, *Management of the Protection Afforded the Federal Judiciary* was completed in July 2004, and the USMS has formally submitted it to Congress. The *National Survey of Judicial Space* is

under review by the Department of Justice. Results of the management study and survey will be used by the Committee on Security and Facilities as it strives to ensure effective and efficient use of the Judiciary's security resources.

#### **Cost-Control Initiative: Cost Reduction for Federal Protective Service Guards**

A review of costs for Federal Protective Service (FPS) guards provided to the courts by the Department of Homeland Security began in 2004. This was necessary due to a \$17 million shortfall in funding in FY 2005, and projected shortfalls in the FY 2006 budget. Beginning with the FY 2005 budget, these FPS costs will become part of the Court Security account. The Administrative Office will work with the courts, FPS, the USMS, and the General Services Administration to prevent FPS security coverage over-

lapping with USMS security coverage and to avoid duplication and unnecessary charges.

### **Emergency Preparedness**

Feedback from chief judges and court unit executives on the state of emergency preparedness in the courts nationwide showed that nearly all the courts either have developed or are developing continuity of operations plans (COOPs). To further this process, the AO published on the J-Net a *Guide for Developing and Conducting COOP Exercises*. A result of extensive experience in testing simulated emergency exercises with judges and unit executives, this guide will help courts validate their COOPs. Court emergency preparedness coordinators were also offered a train-the-trainer program, as funding was available, to guide them in developing simulated exercises.

An emergency preparedness CD-ROM nearing completion will help courts respond to natural and manmade disasters. The CD-ROM will summarize the Judiciary's emergency preparedness policies, describe the key elements of occupant emergency plans and COOPs, profile the Judiciary's emergency response team and its services, and highlight contingency planning best practices in the courts.

The Administrative Office and two courts participated in an emergency preparedness and response exercise known as "Exercise Forward Challenge," with 45 executive branch agencies on May 12-13, 2004. During the exercise, the Administrative Office team relocated to an alternate site and tested AO emergency plans and interactive communications.

### **Space and Facilities Cost-Control Initiatives**

#### **Moratoriums on Space Requests**

The AO continued certain Judicial Conference-approved initiatives begun in 2003 to control the future cost of rent, which has increased at an average annual rate of 6.4 percent since 1999, and from 15 percent of the total Judiciary budget in 1985 to nearly 22 percent this year:

*The* AO continued Judicial Conference-approved initiatives begun in 2003 to control the future costs of rent, which has increased at an average annual rate of 6.4 percent since 1999.

- A moratorium for one year on all new non-prospectus space requests costing less than \$2.29 million in construction costs, except those requests for courtrooms, chambers, lease renewals, official parking, and natural disasters or terrorist attacks, endorsed by the Judicial Conference in March 2004. The moratorium primarily affects space requests for offices, training rooms, conference rooms, and storage space and could save approximately \$4-5 million in annual rental costs.
- A moratorium of 24 months on the planning, authorizing, and budgeting for new courthouse construction projects and prospectus-level repair and alteration projects (except for those requests intended solely for upgrading building systems), endorsed by the Judicial Conference in September 2004. This moratorium applies to 35 courthouse construction projects not yet in design, and seven projects with congressional appropriations and authorizations ready to start design on the Five-Year Courthouse Project Plan for FY 2005-2009. During the moratorium, the AO will re-examine the long-range facilities planning process.

#### **Budget Check Process**

As an interim measure to cap space growth, the Judicial Conference in September 2004 approved a budget check on all pending space requests. This will help ensure that circuit judicial councils, with the Administrative Office, consider alternative space, future rent implications, and affordability of any space request. Staff will propose to the Conference Committee on Security and Facilities national limits to control the rental costs of non-prospectus new courthouses,



**The AO and courts participated with 45 branch agencies in Exercise Forward Challenge in May 2004. Staffs at individual locations simultaneously tested emergency plans.**

and major renovations and annual square footage allocation caps for the amount of space each circuit judicial council can approve in any fiscal year.

#### ***U.S. Courts Design Guide Review***

As another cost-control measure, a comprehensive review of

the 1997 edition of the *U.S. Courts Design Guide* is underway. This review will emphasize controlling costs, and examining existing space standards for court functional space needs, as well as sharing arrangements.

The *U.S. Courts Renovation and Alteration Project Manual* is being completed. It will supplement the *U.S. Courts Design Guide* by addressing space issues for renovating older, existing buildings. Its completion is planned to coincide with the revised *Design Guide* during FY 2005. A chapter on courtrooms was completed and endorsed by the Judicial Conference in March 2004. ■





## Financial Management in the Courts

The Judiciary’s successful budget decentralization program promotes significant cost efficiencies – a savings of \$1.3 billion in the Judiciary’s Salaries and Expenses appropriation account between 1994- 2002. Advances in automation also are helping courts achieve sound financial management of public funds.

### Assessment of Budget Decentralization Program

Budget decentralization—the process that delegates resource-use decisions to local court offices—continues to operate effectively in the Judiciary.

The consulting firm KPMG, engaged by the AO in November 2002 to review the program and report on its strengths and areas for improvement, hailed the program as a major success. KPMG interviewed 90 judges, court unit executives, and AO staff and reviewed all documentation associated with the program. KPMG’s year-long study:

- endorsed the Judiciary’s implementation of budget decentralization for the courts and stated that other federal agencies could benefit from similar programs;
- reported that courts and the AO viewed bud-

get decentralization as an overwhelming success;

- noted that \$1.3 billion in savings had accrued to the Judiciary’s Salaries and Expenses appropriation account between FY 1994-2002;
- reported that courts had voluntarily returned over \$300 million in unspent funds;
- praised fair and equitable funding allotments to all court units;
- remarked that courts have a high regard for the quality of AO support provided; and said that, with decentralization,
- courts and the AO actively seek to prevent the occurrence of waste, fraud, and abuse.

KPMG also found that all of the original objectives for implementing budget decentralization were

achieved, including giving courts the ability to prioritize expenditures; providing a means to respond to unique local court needs; offering incentives for good financial management in the courts; and improving courts' long-term planning.

### **Financial Accounting System for Tomorrow**

The Financial Accounting System for Tomorrow (FAS<sub>4</sub>T) has been fully implemented in 12 circuits and in 94 districts, thanks to the leadership of numerous court and AO staff. For the first time, courts are operating a single integrated core financial system. More than an accounting system, FAS<sub>4</sub>T has become the financial core for national systems that require financial data, such as the Integrated Library System and the Jury Management System. Plans are underway to interface other national systems that require financial data with FAS<sub>4</sub>T, such as CM/ECF and PACTS-<sup>ECM</sup>.

### **Civil/Criminal Accounting Module**

The Civil/Criminal Accounting Module (CCAM), a component of FAS<sub>4</sub>T that supports civil and criminal accounting and cash receipting, is now operational in two alpha courts in the District of Arizona and the District of South Carolina. From the alpha courts' implementations, lessons learned were applied to refine the CCAM for the next wave of beta courts in the District of Maine, the Northern District of New York, the Western District of Kentucky, the Western District of Virginia, the District of Utah, the District of Oregon, and the District of Maryland. The first implementation for the beta courts occurred in September 2004, in the District of Maine and the Northern District of New York. The remaining beta courts will be phased in through early 2005. Best practices will be compiled from the beta courts' experience and applied to implementation for the remaining districts by late 2006.

### **Certifying Officers**

Many district courts that have implemented certifying officer legislation have reported significant

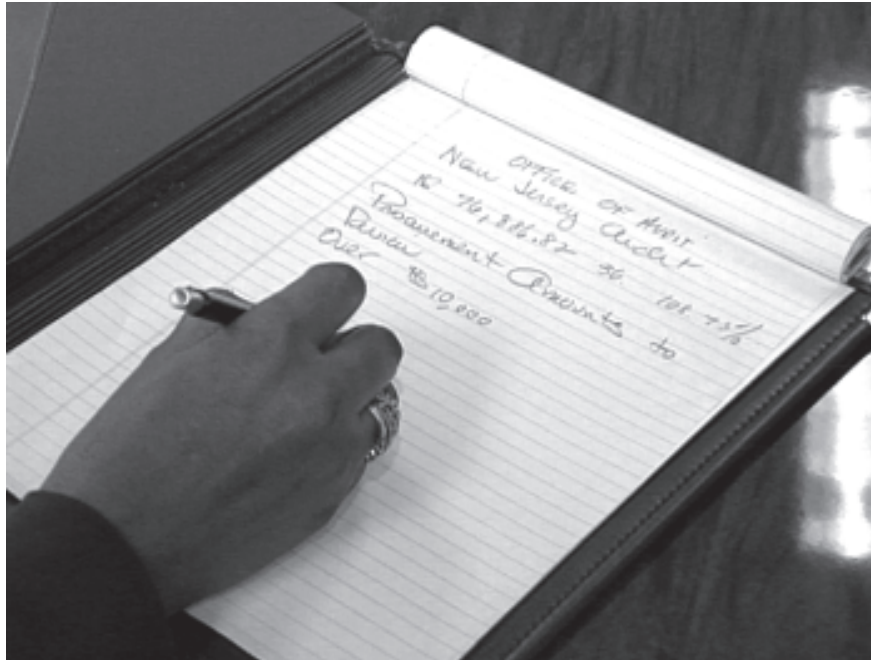
savings in staff time previously devoted to disbursing activities. The implementation of certifying officer authority allows other court unit executives in addition to district clerks to be appointed as certifying officers who certify the appropriateness of payments on behalf of their own programs. As a result, accountability for payments has been suitably fixed; and redundant efforts and duplicate paper have been eliminated. At the close of fiscal year 2004, a total of 83 districts and 10 circuits had received training for the implementation of certifying officer authority in their courts.

### **Court Budget Management Web-Based Training**

The Administrative Office offered registration to all court staff interested in the new web-based training program, "Managing the Local Court Budget." The program is a comprehensive, knowledge-based self-assessment tool that takes approximately 10 hours to complete. A 65 percent completion rate was achieved by court staff on this voluntary training program, a significant indication that the program meets primary financial management training needs in the courts.

### **Automated AO Financial Planning and Tracking System**

In FY 2004, the AO completed a review of alternative methods of developing and tracking the Judiciary's annual financial plans. The new automated system, which replaces an outdated database system and offers access through InfoWeb, assists with plan development and quarterly tracking of obligation activity. Financial liaison officers may now download spreadsheet files with spending plan and obligation data for both the current year and prior year. Reporting capability has expanded, allowing financial liaisons to run reports by program committee, directorate, or budget organization code. Emphasizing more information rather than just more data, this system will also help ongoing cost-containment initiatives. ■



## Audits, Reviews, and Internal Controls

Each year, on-site reviews of various kinds are conducted in the courts for virtually all major areas of business operations.

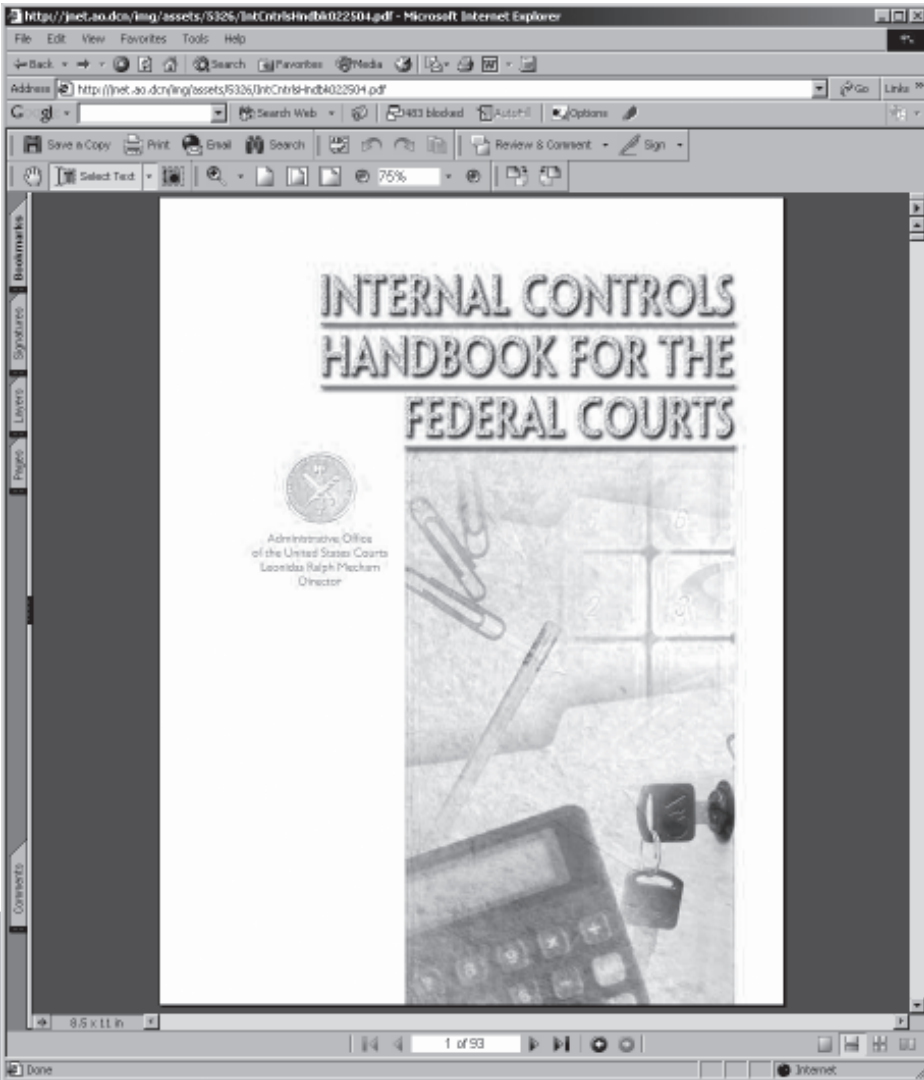
### Audits and Program Reviews

The Administrative Office conducts financial audits, program audits, reviews, assessments, and evaluations to promote effectiveness, efficiency, and economy in both AO and court operations. A comprehensive program of financial audits covering all court units is conducted on a four-year cycle for most courts, and on a two-and-one-half year cycle for larger courts. In 2004, the Administrative Office performed or contracted for 56 cyclical financial audits of the courts and 58 other financial audits, including Chapter 7 trustees, Criminal Justice Act grantees, and special audits such as follow-ups to prior reviews, when there is a change of clerk, or when an audit of particular financial activities is requested by a court.

The Administrative Office continues to implement an analytical software program for its audit pro-

gram for procurement, accountable property, travel, and payroll certification. Using the software streamlines the audit process, as it helps auditors perform significant work before visiting the courts.

Each year, on-site reviews of various kinds are conducted in the courts. Some offices have a comprehensive cyclical program of reviews. In other cases, reviews are done primarily at the request of individual court managers or chief judges for areas including jury administration; court reporting; clerk's office operations and management; human resources management; property management; procurement; and information technology operations, management and security. During fiscal year 2004, reviews were conducted in five district courts, two bankruptcy courts, 13 federal public defender organizations, and two probation offices.



segregating duties, controlling and protecting assets, maintaining necessary records, performing verification and review activities, and restricting access to sensitive information or assets. Business areas addressed include financial management, procurement, property management, human resources, information systems and security, budget management, postage meters, and jury management. The handbook references policies pertinent to each business area, and practical suggestions are scattered throughout.

### Government Accountability Office Studies

The Administrative Office serves as a liaison to the Government Accountability Office (GAO)—formerly the General Accounting Office—on studies pertaining to the Judiciary. The AO coordinates the provision of information and responses to GAO's written reports and testimony before Congressional committees. In fiscal year 2004, GAO commenced or completed 11 studies involving the federal Judiciary to some extent. The most significant reviews addressed financial disclosure redaction authority, the

history and cost of the courthouse construction program, the proposed Los Angeles courthouse-construction project, criminal-debt collection, and the implementation status of the E-Government Act of 2002. ■

**The *Internal Controls Handbook for the Federal Courts*, published online in March 2004, contains simple checklists of basic internal control requirements for major areas of court business.**

### Internal Controls Handbook

Following an extensive collaborative effort by Administrative Office staff and court managers, a final *Internal Controls Handbook for the Federal Courts* was published and posted on the J-Net in March 2004. This handbook assists managers in developing internal

control procedures consistent with applicable policies and regulations. It also is a tool for managers to conduct required annual reviews of those procedures. Each section of the handbook contains simple checklists of basic internal-control requirements for



## Program Management and Technology

After the Supreme Court ruling in *Blakely v. U.S.*, the Sentencing Commission conducted hearings and a special Judiciary task force was developed to monitor the decision's potential impact.

### Juror Utilization

Nationally, the federal courts saw a positive change in the rate of jurors reporting for jury service but not selected, serving or challenged (NSSC). After peaking at 40 percent for fiscal year 2003, the percentage of jurors NSSC declined to 37.7 percent for the 12 months ended June 30, 2004. The courts' efforts to improve juror utilization have resulted in savings of approximately \$740,000 and more than 10,250 potential jurors not being brought into the courthouse unnecessarily. Continued efforts are underway in the Judiciary toward more efficient juror use.

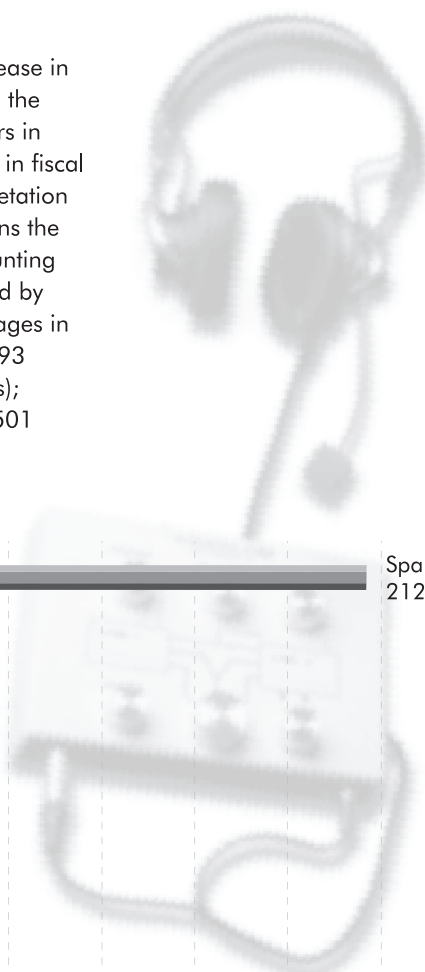
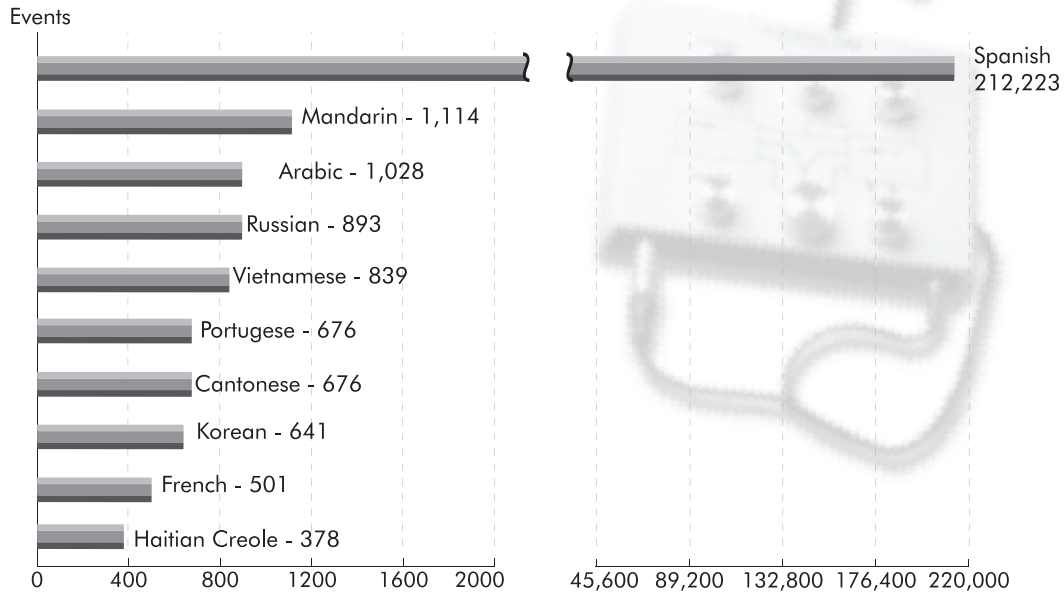
Based on statistical trends for recent years, the Judiciary took several steps in FY 2004 to address the NSSC rate. At its December 2003 meeting, the Judicial Conference Committee on Court Administration and Case Management requested the Administrative Office to analyze how its juror-usage rates in district

courts have changed over the preceding 10 years. The Committee, through its chair, Chief Judge John Lungstrum (Kansas) provided this information to each chief district judge and clerk of court, along with more general information regarding techniques to assist courts in improving their NSSC rates. The Committee also provided the chief circuit judges with the analyses of the districts within their respective circuits. As a result, a number of courts and circuits are looking at identifying and implementing better management techniques to improve juror utilization.

The Judicial Conference and the Administrative Office consider efficient juror utilization to be a high priority and will continue the efforts to communicate its importance, encourage courts to review their juror management practices, and identify steps they can take to make better use of jurors.

### Court Interpreting

In fiscal year 2004, there was an 18.5 percent increase in the number of events requiring the use of interpreters in the courts. District courts reported that they used interpreters in 223,996 events, compared to 189,044 events reported in fiscal year 2003. The number of languages requiring interpretation rose from 103 in 2003 to 106 in 2004. Spanish remains the most used language for interpreters in the courts, accounting for 95 percent of all reported events (212,223), followed by Mandarin (1,114 events). Other frequently used languages in fiscal year 2004 were Arabic (1,028 events); Russian (893 events); Vietnamese (839 events); Portugese (676 events); Cantonese (676 events); Korean (641 events); French (501 events); and Haitian Creole (378 events).



### Study of Alternatives for Providing Administrative Services

At the request of the Judicial Conference committees on the Budget and Judicial Resources, the Administrative Office in September 2003 selected an experienced federal contractor to independently and comprehensively study current approaches and possible alternatives for providing administrative services to the courts. The study is reviewing financial and budget operations, personnel administration, procurement, information technology services, training, property management, and space and facilities management.

Goals include improving the quality of administrative services, increasing operational efficiency and lowering costs, enhancing internal controls, and ensuring that key decision-making control remains at the local court level.

The contractor is reviewing how executive branch agencies, private organizations, and state court systems are structured and staffed to provide administrative support services, and comparing how services are delivered to the federal courts. They are gathering data through on-site visits, and interviews with judges, court staff, and senior Administrative Office staff. A final report with findings and recommendations is expected to be completed during 2005.

### Interpreter Certification

In fiscal year 2004, much was achieved in the Spanish/English Federal Court Interpreter Certification Examination project. A contractor developed, validated, and administered two new versions of the written examinations. There were 1,055 examinees who took the examination in August 2004.

A concurrent research study was conducted comparing the results of the oral examination portion of the Spanish/English Federal Court Interpreter Certification Examination with the results of similar state court interpreter examinations. The results of the study clearly support the validity of the Spanish/English Federal Court Interpreter Certification Examination.

### **National Court Interpreter Database**

The Court Interpreters Act requires the Administrative Office to maintain a current master list of all court interpreters. The National Court Interpreter Database (NCID) was made available on the J-Net in July 1999 to assist courts in locating court interpreters in a multitude of languages. The Administrative Office enters and updates all information on certified interpreters, and the courts enter and update data for “otherwise qualified” interpreters used in their courts. NCID contains information regarding the qualification criteria, language, state, and contact information for each of the listed interpreters. At the end of fiscal year 2004, the database contained the names of 883 active certified interpreters and 1,563 otherwise qualified interpreters in close to 100 languages.

### **Telephone Interpreting**

The Telephone Interpreting Program (TIP) provides remote interpretation in short proceedings where certified or otherwise qualified court interpreters are not locally available. In fiscal year 2004, TIP services were used in over 3,200 events in 46 languages. Spanish was used for 90 percent of the telephone interpreting events. There were 33 user courts in fiscal year 2004, including services within districts to outlying court locations. The four courts that provide these services are the Central District of California, District of New Mexico, Southern District of Florida, and District of Columbia. Staff interpreters handled 67 percent of the telephone interpreting proceedings, and 33 percent of the proceedings were

*The* most significant impact of *Blakely* on federal court caseload is on 28 U.S.C. §2255, motions to vacate sentence filed in the district courts. The number of motions filed between June 24 and September 30, 2004 was 90 percent higher than those filed in the same period in 2003.

handled by contract interpreters. The total savings as a result of telephone interpreting in fiscal year 2004 are estimated in excess of \$975,000.

### **Slip Opinion Printing Contracts**

In the face of reduced funding for the Judiciary, staff renegotiated the prices for the production of slip opinions in several circuits. During FY 2004, both the Third and Eighth Circuits completely discontinued the printing of all opinions and instead now distribute opinions electronically. In light of projected funding constraints, other circuits are considering doing so.

### **Statistical Data Gathering and Reporting**

#### ***New Streamline Timely Access to Statistics (NewSTATS)***

The New Streamline Timely Access to Statistics (NewSTATS) project will provide the Judiciary with a modern, flexible relational database that will allow the Administrative Office and other authorized Judiciary users to access and use caseload statistics to produce reports, analysis, and research required to meet customer needs. NewSTATS will have the ability to capture judicial activity data; interact with other Judiciary systems, e.g. Defenders Services, Financial Accounting System, and Human Resources; and satisfy existing customer requirements while adapting to future needs.

The project has completed an alternatives analysis and is entering the design phase. NewSTATS' modern infrastructure will include an integrated enterprise database containing data currently residing in 12 legacy databases. It will include historical legacy data currently on tape, as well as magistrate caseload data.

In addition to providing more timely and user-friendly solutions to current reporting, analytic and research requirements, NewSTATS will employ business intelligence tools that will allow authorized users to fully utilize the collected data for strategic planning purposes.

#### **District Court Statistical Needs**

Recommendation 73 of the *Long Range Plan for the Federal Courts* called for a comprehensive review of the statistical data and information needs of the Judiciary. The first two phases of the review, which addressed appellate and bankruptcy data needs, were completed in recent years. The third phase, involving district court activity, is nearing completion. Under the guidance of the Judicial Resources Committee's Subcommittee on Judicial Statistics, Administrative Office staff are working to revise the Case Management/Electronic Case Files (CM/ECF) system as needed to collect the required district court data. New procedures for docketing court events have been developed for incorporation in CM/ECF in an upcoming release. Similarly, a number of data items that are currently recorded by the courts but not forwarded for inclusion in the national databases have been identified for addition in an upcoming release.

#### **Tracking Case Trends**

The Supreme Court's decision in *Blakely v. U.S.* cast doubt on the constitutionality of the federal Sentencing Guidelines. A special task force of Administrative Office, Federal Judicial Center, and U.S. Sentencing Commission staff was established to monitor the decision's potential impact on sentencing practices in the federal courts, and the related effect on judicial administration and resources. AO staff are also providing support to the Judicial Conference's Criminal Law and Rules Committees as they assess possible sentencing policy alternatives and changes

in criminal case procedures, in the event that the current sentencing guidelines are held invalid in whole or in part.

In an effort to assess the impact of this decision on federal court caseloads, Administrative Office staff have monitored monthly filings and dispositions in the appeals and district courts. The most significant impact of *Blakely* on federal court caseload is on 28 U.S.C. §2255, motions to vacate sentence filed in the district courts. The number of motions filed between June 24 and September 30, 2004 was 90 percent higher than those filed in the same period in 2003. The second significant impact is a 30 percent increase in filings of original proceedings in the courts of appeals, primarily caused by a 66 percent increase in the number of motions to file second or successive appeals with respect to habeas corpus petitions.

The impact of *Blakely* on terminated criminal cases in the district courts is less clear. A comparison between the three-month period ending September 30, 2003, and the same period in 2004 shows that terminations declined by 1,093 defendants, from 22,703 to 21,610. However, because defendants are sentenced on average about three months after conviction, the Administrative Office had not received data on all defendants convicted between June 24 and September 30, 2004, at the time this publication was prepared.

#### **Case Management System/Electronic Case Files System (CM/ECF)**

The federal courts continued their leadership in electronic filing for the legal community with major progress in the nationwide rollout of the Case Management / Electronic Case Files (CM/ECF) system. In fiscal year 2004, an additional 39 courts began implementation, bringing to 187 the number of courts using or preparing to use the system. That number includes all bankruptcy courts and all except three district courts. The appellate courts are scheduled to begin implementation early in fiscal year 2005.

The past year was also a period of great growth in live CM/ECF usage, as 41 more courts began live operation. The system is now in live use in 129 courts, including 76 bankruptcy, 51 district, the



Court of International Trade, and the Court of Federal Claims. By the end of the year, more than 100,000 attorneys had made electronic filings over the Internet, and attorneys were providing more than 40 percent of the CM/ECF data entry. Monthly volumes had reached more than 130,000 case openings and 3.6 million docket entries. Similar growth is expected until the national rollout is completed in 2005.

For each of those 41 courts that completed implementation in 2004, the process was a joint effort with the AO that took about 10 months. The AO's multi-disciplinary team assisted the judges, clerks, and staff with implementation by providing training and by offering guidance in the analysis of technology, business, legal and policy issues related to CM/ECF. The AO also provided continuing operational support for the courts using the system, and developed tools to aid in both implementation and operations.

Efforts in 2004 included a continued focus on judges' needs, with publication of an updated *CM/ECF Chambers Handbook*. Guides were also published to help district court chambers with their statistical reporting requirements: the *Guide to the CM/ECF Monthly Trials and Other Activity Report* and the *Guide to MJSTAR*. And documents were produced relating to the use of CM/ECF in the appellate courts, including discussion of CM/ECF Appellate Model Rules. Also, at national meetings, all bankruptcy judges were given the opportunity to see demonstrations of several court-developed systems that work with CM/ECF to perform calendar and order-processing functions.

In addition to the progress in implementation, there were significant gains made in CM/ECF technology development during the past year. New versions of both the bankruptcy and district products were developed to provide enhanced capabilities such as the new statistical reports, fee payment by credit card, and enhanced privacy options. Also, modifications were completed to enable transition to the judiciary's new Linux operating system. There was extensive continued development of the appellate system, and that product entered the final testing phase.

*The* Internet-based PACER system has become the predominant method for the Judiciary to provide public access to court information. The AO's PACER Service Center provides the public and the Judiciary with registration, centralized billing, and technical support services.

Enhancements to CM/ECF will be a continuing process to ensure that the system keeps pace with advancing technology and provides the functionality that the courts need. Courts are already identifying new features and functions that can further extend the benefits of the system.

### **Electronic Public Access Program**

The Electronic Public Access (EPA) Program facilitates and improves electronic public access to court information, in accordance with legislative and Judiciary policies, security requirements, and user demands. The EPA Program, as mandated by Congress, is funded entirely through user fees, set at a reasonable rate to cover expenses. The program generated approximately \$37.4 million for the Judiciary in FY 2004. A significant portion of this revenue has funded the development and implementation of the Case Management/Electronic Case Files (CM/ECF) systems. Congress recently authorized the Judiciary to use EPA fee revenue to fund CM/ECF operations and maintenance costs as well.

The Internet-based PACER system has become the predominant method for the Judiciary to provide public access to court information. The AO's PACER Service Center provides the public and the Judiciary with registration, centralized billing, and technical support services. A recent review of the PACER Service Center conducted by SAI Corporation, an independent third-party contractor, rated the PACER Ser-



The AO's multi-disciplinary team assisted the judges, clerks, and staff with implementation by providing training and by offering guidance in the analysis of technology, business, legal, and policy issues related to CM/ECF.

vice Center operation above both industry and government standards for overall call-center performance. A survey of PACER users showed 94 percent of all respondents rated the PACER Service Center operation favorably.

Significant EPA Program Activities in FY 2004:

**• Instant Registration Project**

PACER Service Center staff implemented an instant registration process. Users may register with a credit card online for nearly immediate registration and access. The system also includes automatic quarterly billing to credit cards. Any registered user may elect to participate in the automatic credit card billing program.

**• Increased User Demand**

The PACER Service Center established over 100,000 new PACER accounts and there are now nearly 400,000 registered PACER users. Approximately 70 percent of these new registrations were made using the enhanced instant registration process.

**• Security**

The EPA Program Office conducted two security posture assessments of the PACER-Net. These assessments assist the AO and the courts by maintaining the security of the Judiciary's public access systems.

**• Interagency Agreement With the Department of Justice**

The Administrative Office renewed an inter-agency agreement with the Department of Justice (DOJ). Per the agreement, the AO bills the DOJ an annual subscription amount based upon its actual PACER usage for the 12-month period from July 1 through June 30 of the preceding fiscal year.

**• Fee Increase**

User fees had remained unchanged since 1998. In order to meet increasing costs, the Judicial Conference approved a one-cent increase—from 7 cents per page to 8 cents per page—to the PACER Internet access fee, effective on January 1, 2005.

**New Policy and Guidelines for Allowing Electronic Access**

In September 2001, the Judicial Conference adopted a policy that generally permits remote public access to electronic case files in civil and bankruptcy cases, with the requirement that certain personal identifiers be redacted by the filer of a document. This policy stated that there would be no such access in criminal cases for a period of two years, while issues unique to criminal cases were studied in greater detail.

Following a pilot project and study, the Judicial Conference at its September 2003 session amended its earlier policy to allow remote public access to elec-

tronic criminal case file documents, on the same terms as public access to these documents at the courthouse. The Conference further determined that the personal data identifiers must be redacted by the filer of the document, whether the document is filed electronically or on paper for later conversion to electronic format, as follows: Social Security numbers to the last four digits; financial account numbers to the last four digits; names of minor children to the initials; dates of birth to the year; and home addresses to the city and state.

The Conference had delayed the effective date of this policy change until specific guidance on the implementation and operation of the new policy was developed.

The guidance and a model local rule addressing privacy and access to electronic criminal case files were developed by the Committee on Court Administration and Case Management, with support from AO staff, and approved by the Conference in March 2004. Required software changes to CM/ECF were made to accommodate the new policy and were provided the courts in September 2004 for testing. Electronic public access to criminal case files was made available November 1, 2004.

### **Pilot Project Allowing Electronic Access to Court Transcripts**

In September 2003, the Judicial Conference adopted a policy for future implementation that requires those courts making documents electronically available to the public also to make available electronic transcripts of court proceedings, if such transcripts are otherwise prepared. The policy includes a process for redacting personal identifying information from transcripts in order to protect individual privacy, and requires it to be consistent with the Judicial Conference policy on privacy and public access to electronic case files. The Conference, however, decided to defer the effective date of the policy until it could consider a report from the Committee on Judicial Resources on the impact of the policy on court reporter compensation.

The Conference approved a pilot project to help assess the effect of the electronic transcripts policy in courts in the Southern District of Alabama, the

District of Kansas, the District of Maine, the Eastern District of Missouri, and the District of Nebraska. These courts are reporting to the AO on each of their court reporters that details the number of transcripts ordered, the number of pages ordered, whether the order was an original or a copy, and the fee charged per transcript. Comparisons are being made with similar information for fiscal years 2000, 2001, and 2002.

Following Conference approval of the implementation guidelines on remote public electronic access to criminal case files in March 2004, it is possible for the pilot courts to make electronic transcripts of criminal proceedings available to the public. The pilot project was continued through September 2005, to include criminal transcripts over a longer period of time. To date, the Administrative Office has received data on 534 transcripts, including 292 transcripts in criminal cases. ■



## Advances in Automation

After the Judicial Conference Executive Committee identified information technology as a principal business area for cost-containment, the Committee on Information Technology recommended discontinuing normal cyclical replacement of court-based servers supporting national applications.

### Evaluating Alternative Models for IT Service Delivery

After the Judicial Conference Executive Committee identified information technology as a principal business area for cost-containment, the Committee on Information Technology endorsed a vigorous effort to identify and implement more cost-effective IT service delivery models. Alternatives to be examined include consolidating system servers in fewer locations, with one court servicing several others; consolidating servers in one or more service centers operated by contractor personnel; and outsourcing system operations, as well as servers, to a commercial service provider.

Moving to a different model will require most national applications to be modified, higher-capacity servers to be acquired, and data communications and

public access networks to be reconfigured. This means that myriad system architecture, technical, procurement, and management complexities must be factored into the process.

Nevertheless, long-term cost savings associated with a reduced number of servers will outweigh the one-time investment in software modification, hardware acquisition, and network changes. The AO is working with the courts to identify costs and develop a transition plan and schedule.

Anticipating a different service delivery model, the Committee on Information Technology determined to discontinue normal cyclical replacement of individual court-based servers supporting national applications. Some funds will be reserved to repair or replace servers as they fail, or to upgrade servers to meet critical capacity demands on a case-by-case basis.

## IT Work Center Description and Practices

A working group comprised of court unit representatives has developed an IT work center description, which is a comprehensive summary of all tasks performed by IT staff in circuit executive offices, appellate, district, and bankruptcy courts, and probation and pretrial services offices. Court managers can use this summary as an aid in local workforce planning. The group also developed a list of IT practices that courts may wish to explore and incorporate into their operations to enhance efficiency and service levels. The list of IT practices is a resource court managers may consult to improve operations; however, it is not intended to be prescriptive. Both the work center description and the list of practices have been posted on the J-Net and will be updated as the Judiciary explores alternate IT and administrative service delivery models.

## Remote Access

The Administrative Office has worked closely with the assistant circuit executives for automation and others in the courts to develop a secure, broadband-capable virtual private network (VPN) system to provide remote access to the Judiciary network for users with laptops and personal digital assistants connected to the Internet from their homes, hotel rooms, and other locations. AO staff are also working on measures that will maintain the Judiciary's IT security posture in this remote-access environment.

## Automation of National Judiciary-Wide Forms

The AO continued work on automating more than 300 national forms for Judiciary-wide use. Many forms are now available on the J-Net in a choice of WordPerfect and PDF formats. In addition, more than 90 forms have also been placed on the



Judiciary's Internet site, [www.uscourts.gov](http://www.uscourts.gov), making them available to attorneys and other users who previously had to obtain them from their local district courts.

**The Judiciary was challenged during FY 2004 to continue providing advances in automation while coping with limited funding.**

## Records Management

AO staff negotiated an agreement with the National Archives and Records Administration (NARA) regarding the disposition of court filings that are filed in paper, but subsequently converted to electronic format and entered into the Case Management/Electronic Case Files (CM/ECF) system. The agreement formally designates the electronic version of the filing as the court record. This will contribute to a tremendous reduction of paper court records.

## Computer-Assisted Legal Research Services Contracts

The Administrative Office awarded new contracts to West and LexisNexis for computer-assisted legal research (CALR) services. These contracts became effective in FY 2005 and may be renewed annually at the Judiciary's option for up to 10 years, through FY 2014.

The new contracts provide unlimited access for all federal Judiciary users to a full range of legal, news/journals/business, and public records databases. Judges and other researchers may choose the product that best serves their individual research needs. The contracts guarantee uninterrupted availability of essential research services and significantly benefit the Judiciary by ensuring access to exclusive content on both Westlaw and LexisNexis.

The new contracts also further important financial objectives for the Judiciary. The 10-year contract term allows the Judiciary to predict future costs for long-term financial planning. In addition, the dual contract award supports the Judiciary's ongoing effort to reduce lawbook spending.

During the past four years, cancellations of West publications alone have resulted in an estimated cost savings of \$5.8 million to the Judiciary in lawbook expenditures. The Judiciary can continue to seek further voluntary reductions in print subscriptions by ensuring the long-term online availability of essential resources.

Administrative Office staff were assisted in the procurement by judges, court librarians, judicial law clerks, and staff attorneys. The contracts were negotiated to offer the same content and services to several other Judiciary organizations as riders to the contracts, including the Supreme Court of the United States, the Federal Judicial Center, and the United States Sentencing Commission.

### **Congressional Update Collection Project**

The new Congressional Update Collection for the Office of Legislative Affairs (CUPOLA) was implemented in early FY 2004. The CUPOLA applies the online legal information environment to the laborious effort required to maintain a searchable data store of congressional activity that affects the courts.

### **InfoWeb Buyout/Severance Pay and Impact**

A tool made available to all those involved in court personnel planning/management allowed them to calculate the costs of reducing staffing as a result

of tight budget constraints. Also, InfoWeb now allows for the online collection of information about the impact of proposed or planned staffing reductions in the courts for the current and subsequent fiscal years.

### **Central Violations Bureau**

The Central Violations Bureau (CVB) provides participating U.S. district courts and federal law enforcement agencies with an efficient processing system for handling petty offenses and some misdemeanor cases initiated by a violation notice. During fiscal year 2004, the CVB processed 415,000 citations, an increase of more than 20,000 from 2003. A number of operational improvements resulted in enhanced service to the courts and allowed the CVB to collect \$20 million in fines and forfeitures. The CVB fielded more than 250,000 telephone calls and e-mails from the public, courts, and law enforcement agencies.

The CVB made several technological improvements to operations during fiscal year 2004. On the J-Net, court staff can now access and fill out forms that have fields automatically completed with data drawn from the CVB database. An e-mail-based search tool was implemented to allow law enforcement agencies to automate the checking of case status. In an effort to cut costs and ease production, the CVB has moved from an impact to laser printer for the production of the Notice to Appear and Warrant forms. Additionally, numerous quality reports were generated to help ensure data integrity throughout the life cycle of a violation notice.

### **ILS Hardware and Replacement**

Staff from several AO offices worked with the Integrated Library System (ILS) vendor, Sirsi, to successfully complete the cyclical replacement of all Intel/Solaris ILS servers with new SPARC/Solaris servers. Due to the fact that Sirsi does not provide a Linux/Intel version of its software, the standard platform for the Judiciary, an alternative replacement platform was sought and the SPARC/Solaris was chosen. Approximately 30 percent of Sirsi's customer base uses SPARC/Solaris, and Sirsi uses this platform for development and testing.

*Since* the inception of the BNC in 1993, it has saved the Judiciary approximately \$34 million and has provided better service.

Successful completion of this project is the result of a two-year effort to determine the best scenario for cyclical replacement of the ILS Intel/Solaris hardware. Alternatives were identified and analyzed, project requirements were outlined, and hardware specifications were developed. A file-system layout and implementation and data-migration plan were key to the seamless replacement. AO staff now provide support for both the operating system and application software.

### **ILS/FAS<sub>4</sub>T Interface Implementation**

In 2004, staff completed the implementation of an interface between the Integrated Library System (ILS) and FAS<sub>4</sub>T in five circuit headquarters libraries, thus completing a project initiated in FY 2000.

All circuit library staff now use ILS for lawbook ordering and FAS<sub>4</sub>T to generate lawbook payments, exchanging data between the two systems. Successful completion of this project has resulted in increased efficiency and timeliness of lawbook payments and the tracking of lawbook expenditures.

### **Bankruptcy Noticing Center**

In fiscal year 2004, the Bankruptcy Noticing Center (BNC) produced and mailed approximately 135 million bankruptcy notices, representing an increase of nearly 13 percent over FY2003. Operated under a contract managed by the Administrative Office, the BNC electronically retrieves data from participating courts' case management systems and automates the printing, addressing, batching, and mailing processes. Using automation, the BNC is able to generate notices at a fraction of the time and cost that would be required if produced by local courts. Since the program's inception in 1993, it has saved the Judiciary approximately \$34 million and has provided better service.

### **Electronic Bankruptcy Noticing**

The Electronic Bankruptcy Noticing (EBN) program provides an innovative approach to bankruptcy noticing, eliminating the production and mailing of traditional paper notices, and associated postage costs, while speeding public service. Available options include Internet e-mail and fax services, and electronic data interchange for large-volume notice recipients. In fiscal year 2004, overall program usage continued to increase over the previous fiscal years. Approximately 10 million notices were sent electronically, compared to 7 million transmitted in fiscal year 2003. The increase is due in part to the launch of the National Creditor Registration Service, an enhancement to the EBN program that eliminated the need for clerk's office personnel to administer program-related paperwork, and simplified the sign-up process for electronic notice recipients. By the end of the fiscal year, approximately 10 percent of all notices sent through the Bankruptcy Noticing Center each day were being sent electronically. Participation in the electronic noticing program by creditors or other recipients is voluntary. Additional program growth is expected in the future through administrative and rules-based initiatives. ■



## Workforce Management and Development

A commitment to progressive employee benefits and quality workforce training has helped the Judiciary attract and retain a talented workforce.

### Judiciary Benefits

The Judiciary recognizes that competitive employee benefits help attract and retain a talented workforce. A strong commitment to offering benefits similar to, or better than, the private sector enhances the Judiciary's appeal as a progressive employer. The Judiciary took the lead in establishing these benefits programs for federal employees, including long-term care insurance in the fall of 1999, followed by the flexible benefits program in January 2000. Enrollment in both programs has exceeded insurance industry norms.

In an area as dynamic as employee benefits, continuous reassessment is in order. So, the Administrative Office is conducting a thorough update of a 1998 benefits study that helped identify the need for the current programs. This updated study, which is nearing completion, will help in maintaining a competi-

tive benefits package for judges and Judiciary employees.

### Flexible Benefit Program Offers Savings

The Flexible Benefits Program allows employees to set aside salary on a pre-tax basis in special accounts that can be used to fund health care, including medical, dental, and vision, and dependent care, including childcare expenses. Since the flexible benefits program was introduced more than four years ago, judges and court employees have saved over \$126 million. In FY 2004, there were 10,187 enrollments—about 30 percent of the workforce—in the reimbursement accounts, nearly a 10 percent increase over 2003. Including tax savings from participation in the health benefits premium plan, judges and Judi-



ciary employees increased their take-home pay by nearly \$31 million (tax savings) in 2004. On average, judges increased their take-home pay by \$2,900 and Judiciary employees increased theirs by \$2,239.

### **Outsourcing Benefits Administration**

In 2004, the federal Judiciary took a major step forward in employee benefits self-service by outsourcing to SHPS the administration of three employee benefit programs, the Federal Employees Health Benefit Program, the Federal Employee Group Life Insurance Program, and the Thrift Savings Plan. As a result, biweekly employees participating in these programs now have the same one-stop shopping they have enjoyed for years with the Flexible Benefit Program.

Outsourcing also introduces electronic enrollment for these programs, which offers several advantages. Benefit participation decisions are personal, so being able to enroll from any personal computer with Internet access allows participants to gather all their personal information, discuss participation with family members, and enroll when convenient. Enrolling online allows the participant to view and print out a confirmation statement immediately. Participants are encouraged to provide an e-mail address to SHPS so they can receive e-mail confirmation of enrollment choices, as well as notices of time-critical information.

This outsourcing initiative was inaugurated in September 2004, in time to assist biweekly employees with the first open season in five years for the Federal Employee Group Life Insurance Program.

### **Human Resources Management Information System (HRMIS)**

AO staff implemented Phase III of the Personnel Systems Modernization Project-Human Resources Management Information System (PSMP-HRMIS)—covering the biweekly court employee population—beginning with the first full pay period in 2004. This

*The* federal Judiciary began outsourcing the administration of three employee benefit programs, the Federal Employees Health Benefit Program, the Federal Employee Group Life Insurance Program, and the Thrift Savings Plan.

implementation concludes the transition of personnel and payroll data, transaction processing, reporting, and other functionality from the legacy system to the new PeopleSoft7-based HRMIS.

Now that the entire Judiciary is fully operational using HRMIS, the AO will be able to develop and offer significant additional functional capability over the next several years, subject to funding availability. The new capability may eventually eliminate paper personnel and payroll transactions and include online employee self-service transactions. The delivery of additional features will be through targeted implementation projects over a period of approximately two to three years. Accordingly, some of these enhancements are expected to be implemented during FY 2005 and beyond.

### **Staffing and Work Processes**

Under the leadership of the Judicial Conference's Committee on Judicial Resources, the Administrative Office developed new staffing formulas for district clerks' offices, bankruptcy clerks' offices, and probation and pretrial services offices. Compared to the previous formulas, the new staffing formulas resulted in reductions in the staffing requirements for each type of court unit: 4.6 percent reduction in district clerks' offices, 14.1 percent reduction in bankruptcy clerks' offices, and 2.3 percent reduction in probation and pretrial services offices. At its September 2004 session, the Judicial Conference approved the new

staffing formulas, and they were used as the basis of the staffing allocations for FY 2005 and for the budget request for FY 2006.

At the direction of the Committee on Judicial Resources, the AO has developed and implemented the Process Redesign Program for the Judiciary. Teams of AO and court staff will examine court work processes to achieve immediate local efficiencies, while incorporating individual court quality/ performance criteria into the redesigned processes. After being presented to other courts for adoption/adaptation, these new processes will be measured to ensure that their effectiveness and efficiencies are incorporated into the development of future staffing formulas.

### Telework in the Judiciary

In July 2004, a report, "The Status of Judiciary Telework Implementation," was submitted to the Congressional appropriations committees. This report was prepared using information from a survey developed and tested by court and Administrative Office representatives. In addition, "Implementing Telework in the Judiciary: Successful Strategic Techniques and Tools," was broadcast on the Federal Judicial Television Network. This broadcast, designed for judges, unit executives, and Judiciary employees, described the numerous benefits of telework for managers and employees, and stressed telework as an important tool for managers to aid in recruitment and retention of staff, improve morale, and increase employee productivity.

### Fair Employment Practices

The Administrative Office trained Employment Dispute Resolution (EDR) coordinators from five circuits in a program titled, "*EDR Claims: Lessons Learned.*" The training program uses role-playing exercises to examine the responsibilities of EDR coordinators and helps participants update their EDR plans. Those trained began training other EDR coordinators in their circuits. Participants were enthusiastic and recommended that the training also be offered to court managers. Judge participants highly recommended that a program for judges be crafted, focus-

ing on the types of issues apt to arise with EDR claims and on possible changes to EDR plans. Administrative Office staff also participated in stewardship training for unit executives.

In FY 2004, the Administrative Office provided the courts with a new version of the Fair Employment Practices System (FEPS) to report workforce demographic data and EDR claim information to the AO. FEPS is now a part of InfoWeb, a system that allows courts to obtain financial and other reports by court unit. The new version allowed court users to review and enter data throughout the year, thus substantially reducing the amount of time required of court personnel at the end of the year. Using FEPS, the AO produces *The Judiciary Fair Employment Practices Annual Report*.

A *Draft Policy on Reasonable Accommodations for Disabilities* was posted on the J-Net, and comments from court personnel were requested.

The AO updated and supplemented its heritage celebration materials for the courts. These heritage programs continued a series begun in 2001, and celebrate those backgrounds identified in the U.S. Census and celebrated in the Executive Branch, including African American, Women's History, Asian and Pacific Islander, Hispanic, and Native American.

### Bankruptcy Administrator Program

The Bankruptcy Administrator (B.A.) Program supports the bankruptcy system in the judicial districts of North Carolina and Alabama by monitoring the integrity of the bankruptcy system, supporting the bankruptcy courts, and helping deserving debtors secure a fresh start. During the past year B.A.s saw 81,036 new cases, and collected fees that supplemented the Judiciary's general operating fund by \$2,238,444.

Using criminal and civil enforcement actions, the Judiciary's B.A. litigation teams challenge those who would abuse this system. Last year, the program in the Middle District of North Carolina saved creditors \$3,056,000 by preventing discharges to undeserving litigants. B.A.s in the Middle Districts of Alabama and North Carolina initiated aggressive debtor identification protocols and began referring identity theft cases for criminal prosecution.

The Northern District of Alabama's B.A. pilot mediation program begun in October 2002, now settles 94 percent of the cases assigned to it. The B.A. in the Southern District of Alabama initiated a program reducing the time Chapter 7 cases remain on the court's docket. Now, no more than 10 percent of that district's Chapter 7 cases remain open longer than two years. Each year the B.A.s in the Northern and Middle Districts of Alabama sponsor educational programs for new bankruptcy lawyers and bankruptcy trustees. These programs are well received, contributing significantly to the quality of the bankruptcy bars in those districts.

To help deserving debtors with their fresh start, B.A.s in the Eastern and Middle Districts of North Carolina and in the Northern District of Alabama are experimenting with debtor education programs. These programs seem to be raising the success rate of Chapter 13 repayment plans significantly.

### **Law Clerk Assistance Program**

In April 2004 the Administrative Office launched the Law Clerk Assistance Program (LCAP) for bankruptcy judges who need additional law clerk assistance with specific bankruptcy case-related issues. Bankruptcy judges in need of additional law clerk assistance contact staff in the Administrative Office with general information about the request. Then, Administrative Office staff update the LCAP web site on the J-Net. Law clerks interested in providing assistance review the LCAP web site and contact the requesting judge directly. Law clerks participating in the program perform all work from their official duty stations with prior approval from their judge.

### **Workforce Development Emphasizes Cost-Effective Training**

Administrative and operational training programs for the Judiciary support and extend the agency's mission to enhance the development of the core judicial branch competencies identified in the September 2000 National Training Needs Assessment Study. The AO's programs are geared to continuously introduce and upgrade training aimed at improving

the administrative and operational knowledge of Judiciary employees, their performance effectiveness, and systems management capabilities.

AO program offices develop and conduct cost-effective training programs through traditional instructor-led training, including blended-solution training programs and distance-learning training programs. These programs provide onsite classroom training, customized television training, web-based modules, and video training films.

A major component of the AO's distance-learning initiative is the Federal Judicial Television Network (FJTN), an extremely flexible and powerful training mechanism for AO program offices that produces live satellite broadcasts weekly. Since FJTN's inception in 1998, the AO has produced and delivered more than 257 new programs. These programs strengthen the AO's ability to meet the large and continuous training needs of the Judiciary. In FY 2004, training programs on the FJTN continued to be the sole training medium for the majority of court employees.

An innovative component of the distance learning program is the Virtual University pilot. This web-based program provides synchronous, real-time communication through the use of live virtual classrooms and training forums and makes more than 2,100 courses available to users.

### **Redesign of IT Training Program for Judges**

Since 1992, many judges have participated in various office automation training classes at the Training and Support Center in San Antonio, Texas. In the intervening years, many new judicial appointees have come to the bench with considerable experience in using information technology.

Working with the Committee on Information Technology, the curriculum is being refined to focus on judicial functions to emphasize work done in the courtroom and chambers. Five potential functional areas have been identified as the basis for a new curriculum: case management, writing and tracking opinions, working outside chambers, maintaining a calendar, and trial practices. Although these specific areas may change as work progresses, the underpin-

ning will remain the same—utilizing technology better to enable judges to manage their work more effectively.

### **Contracting Officers Certification Program Training**

During Fiscal Year 2004, the AO held 16 sessions of the Judiciary Basic Procurement Seminar. Through this instructor-led classroom training, 477 Judiciary employees received part of the procurement training required under the Contracting Officers Certification Program (COCP).

The AO also initiated the development of the first portion of a blended-learning procurement course that will substitute for the instructor-led classroom format currently required in the COCP. This blended-learning procurement course will offer several modules available through desktop access. Each module will have knowledge checks to reinforce lessons learned. Once the modules are completed, each participant will be eligible to attend a two-day hands-on workshop led by staff. It will allow the participant to implement the procurement policies and procedures covered by the distance-learning modules. ■

## **Cost-Containment Strategy for the Federal Judiciary**

**T**he federal Judiciary faces unprecedented funding challenges in the coming years because Congress is not likely to appropriate full funding to meet the courts' needs.

### **Budget needs**

Budget needs will be driven primarily by the number of judges and staff working in the courts, the amount they are paid, and the cost of the space they occupy, as well as by changes in workload.

- Between 2004 and 2009, workload is projected to increase, with criminal filings rising 8 percent, the number of persons under supervision growing 12 percent, and the number of pretrial services cases activated increasing by 15 percent.
- Without adequate funding from Congress, and based on current Judiciary practices and policies, budget shortfalls in the Salaries and Expenses account could exceed \$600 million by FY 2009. Mandatory and must-pay components of the budget such as judges' pay, chambers staff, and space rental costs, will increase from the current 59 percent of the total courts' Salaries and Expenses account to 72 percent of the account by FY 2009.
- The Judiciary's space rent bill was nearly \$900 million in FY 2004 and could reach \$1.2 billion by 2009. Space rental payments constituted 16 percent of the Salaries and Expenses account in 1984, consume 22 percent now, and will consume 25 percent by FY 2009, based on current projections.
- Information technology costs are projected to rise about 6 percent annually to \$365 million by 2009.



## Defender Services

AO Director Mecham established a separate Office of Defender Services on July 1, 2004, in recognition of the importance of the defender services program and its mission—ensuring the right to counsel guaranteed to all citizens is enforced.

In March 2004, the Judicial Conference officially recognized the 40<sup>th</sup> anniversary of the Criminal Justice Act of 1964, which created a nationally heralded program, administered by the Judiciary, for the appointment and compensation of counsel to represent individuals charged with a federal crime who cannot pay for their defense. Federal defender organizations, authorized by a 1970 amendment to the Criminal Justice Act, now serve 83 of the 94 federal judicial districts. The federal Judiciary has been a proud steward of the Criminal Justice Act program, which has become a fundamental and critical component of the American criminal justice system.

AO Director Mecham established a separate Office of Defender Services on July 1, 2004, in recognition of the importance of the defender services program and its mission—ensuring that the right to counsel guaranteed by the Sixth Amendment, the

Criminal Justice Act, and other congressional mandates, is enforced on behalf of those who cannot afford to retain counsel and other necessary defense services.

In FY 2004, the Office of Defender Services provided staff support to the Conference Committee on Defender Services as it developed and implemented numerous cost-containment initiatives. One initiative required each federal defender organization, before hiring legal staff, to obtain advance approval from the Office of Defender Services. Approval was granted only where the organization demonstrated that the position was necessary to meet a critical need and justified any proposed salary to be offered above the entry level for the position. Other cost-containment initiatives will focus on improving the methods used to allocate federal defender organization resources.

In the technology area, the Office of Defender

Services is converting the federal defender organization e-mail application from cc:Mail to Lotus Notes. The system design supports all federal defender organization e-mail needs through servers situated at

two data service centers. The migration of the new e-mail software is expected to be completed in early 2005. ■

## Resolution in Recognition of the Fortieth Anniversary of the Criminal Justice Act

The Judicial Conference of the United States recognizes the fortieth anniversary of the **Criminal Justice Act of 1964**, 18 U.S.C. §3006A, which has created a nationally heralded program, administered by the Judiciary, for the appointment and compensation of counsel to represent individuals who have been charged with a federal crime and cannot pay for their defense. The statute ensures that all defendants in federal court receive the effective assistance of counsel guaranteed by the Sixth Amendment.

The Criminal Justice Act program has adapted to dramatic changes in the criminal justice system over the past 40 years. Today, due to the ever-burgeoning federal criminal caseload, federal defender organizations and private “CJA panel” attorneys furnish over 140,000 representations per year to financially eligible persons. The complexity of federal criminal practice has increased substantially since 1964, as have the time commitment and skill level required of defense counsel. Federal defender organizations, authorized by a 1970 amendment to the Criminal Justice Act, now serve 83 of the 94 federal judicial districts. The commitment of Congress to fund the Criminal Justice Act program, and of the Judiciary to support it, together with the dedication of thousands of federal defender personnel and CJA panel attorneys, have produced an assigned counsel program that delivers professional, cost-effective representation.

By ensuring the fair treatment and effective representation of all persons accused of federal crimes, the Criminal Justice Act protects the rights and liberties of all citizens. The statute, and the defender program that it created, have become models for nations seeking to adopt the rule of law, including the right to the effective assistance of counsel, as part of their criminal justice systems.

The federal Judiciary has been a proud steward over the Criminal Justice Act program, which has become a fundamental and critical component of the American criminal justice system.



## Probation and Pretrial Services

The challenge is to provide high quality investigative and supervision services to the Judiciary despite projected increases in workload and the likelihood that the workforce will not grow to keep up.

### Cost-Containment Measures

The Administrative Office, under the direction of the Judicial Conference Committee on Criminal Law, worked with chief probation and pretrial services officers to develop a targeted approach to containing costs that ensures core responsibilities are adequately supported. The challenge is to provide high quality investigative and supervision services to the Judiciary despite projected increases in workload and the likelihood that the workforce will not grow to keep up.

The challenge will be met by prioritizing workload and targeting resources accordingly. Some examples of targeting include new policies to eliminate or reduce staffing credit for work related to cases involving infractions and certain misdemeanors; new models for streamlined pretrial services and presence reports; and continued review of caseloads to identify offenders for early termination who have met

the terms of supervision set by the court, successfully reintegrated into the community, and do not pose a foreseeable risk to public safety or to a particular third party.

The AO will continue to identify and develop mobile technologies that enhance productivity and enable probation and pretrial services officers to access case-specific and law-enforcement related information while out in the community, thereby reducing travel costs and lessening the need for costly office space.

### Study of the Probation and Pretrial Services System

The final report of a multi-year study of the probation and pretrial services system, led by an independent consultant, was issued in 2004. The study

*The* AO requested and was granted “partner” status by the Federal Law Enforcement Training Center (FLETC), which will enable probation and pretrial services officers to receive critical safety and firearms training.

The Administrative Office completed a project to provide officers with an interface between PACTS-<sup>ECM</sup> and personal digital assistants (PDAs), expanding the use of PDAs to all districts. PDAs allow officers access to critical case information while they are in the field, have eliminated the need to carry a cumbersome field book, enabled officers to add chronological entries while they are out working in the community, and have given officers quick access to helpful information such

as phone numbers for emergency contacts and treatment providers.

The Administrative Office also conducted a pilot project in 26 probation and pretrial services offices that revealed great potential for officers to use mobile and wireless technology to conduct business while in the field.

focused on all aspects of the system's operations—organizational, administrative, managerial, and programmatic—and considered a wealth of information gathered through interviews with key stakeholders in all three branches of government; focus groups; analyses of population, staffing and expenditure data; reviews of policy and statutory directives; and surveys of district judges, magistrate judges, and chief probation and chief pretrial services officers.

The central, overarching recommendation contained in the report is that the probation and pretrial services system must become results-driven and employ a comprehensive outcome measurement system. At its June 2004 meeting, the Judicial Conference Committee on Criminal Law endorsed this central recommendation, and unanimously agreed that the system should be organized, staffed, and funded in ways that promote mission-critical outcomes. The Committee also determined that the Administrative Office must improve its capacity to empirically measure results of programs and initiatives.

### **Probation and Pretrial Services Technology**

The Probation and Pretrial Services Automated Case Tracking System—Electronic Case Management (PACTS-<sup>ECM</sup>) continued to evolve as a valuable case tracking and case management tool for officers. By the end of fiscal year 2004, the AO completed the process of delivering PACTS-<sup>ECM</sup> to all 94 districts. Enhancements in 2004 include a supervision planning module to help officers with the supervision and planning processes.

### **Officer Safety and Integrity**

The safety of probation and pretrial services officers in the community continued to be a high priority in 2004. The AO conducted certification programs for 22 new officer safety instructors and 32 new firearms instructors, and a recertification program for 32 other firearms instructors. The AO developed and distributed two new training videos for use by district safety and firearms instructors when teaching officers defensive tactics and firearms safety. The Director approved revised firearms regulations concerning the reporting of missing or stolen firearms, carrying a firearm on an aircraft, using ballistic vests, and inventorying firearms.

The AO requested and was granted partner status by the Federal Law Enforcement Training Center (FLETC), which will enable probation and pretrial services officers to receive critical safety and firearms training at FLETC. In preparation for future use of FLETC, the AO's safety and firearms program administrator participated in advanced training at FLETC and was certified as a law-enforcement instructor, firearms instructor, and reactive shooting instructor.

The AO issued the *Officer Integrity Handbook* to consolidate policies and procedures regarding pre-



employment background investigations, reinvestigations, and workplace drug testing. The AO also issued revised medical standards used to determine physical ability to perform essential job functions.

### Substance Abuse Testing and Treatment

The Administrative Office divided probation and pretrial services offices into three regions for purposes of drug testing and awarded contracts to one laboratory in each region. This arrangement shortens the turn-around time for mailing samples and receiving test results, which is critical when confirming presumptive positive tests administered locally. Having three laboratories under contract also provides redundancy in the event one laboratory is unable to provide services.

The AO conducted a successful pilot in which officers used a cost-free, substance abuse screening questionnaire developed by Texas Christian University. It is expected that routine use of the free screening device will reduce the need for professional substance abuse assessments by about 15 percent. Other cost-containment initiatives include identification of less expensive drug-testing methods and drug treatment strategies. ■



**Federal probation and pretrial services officers were issued personal digital assistants (PDAs) last year to access emergency contact information out in the field, locate client information on their way to field visits, and enter new case information before returning to the office.**



## Communication

The Administrative Office regularly communicated news and events of the federal courts during FY 2004 through the Judiciary's public web site, [www.uscourts.gov](http://www.uscourts.gov).

### News and Information are Provided in Many Forms

Through its public affairs efforts, the Administrative Office communicated a clear and consistent message during FY 2004 about the federal Judiciary's key issues and initiatives.

Reporters covering the federal courts regularly contacted the AO for reliable facts and information about the courts, as well as for explanations of issues, the implications of legislation, the meaning of national trends affecting the legal community, and positions of the Judicial Conference.

During FY 2004, the AO captured key events on video, ranging from devastation to Florida court-houses by hurricanes to hearings on federal sentencing guidelines by the U.S. Sentencing Commission. Increasingly, the AO posted video news clips on its public web site, [www.uscourts.gov](http://www.uscourts.gov), to help illustrate

major events for the public and court personnel. The public web site continued to be the Judiciary's primary and most efficient resource for the public, offering statistical reports, federal rules of practice and procedure, basic educational materials, and news from the Judiciary updated weekly.

Redesign of the J-Net intranet site was completed after a two-year effort that included interviews and testing with court employees, the target audience for the J-Net. The intranet site is an indispensable resource for court users, and is gaining greater importance as the Judiciary steps up its efforts to publish more information electronically, rather than in a traditional print format. Users can find information on the J-Net more quickly now, because of the cleaner design, consistent navigation, an improved search engine, and the organization of information into broad topical areas identified by court staff.

The AO communicated the Judiciary's key issues and accomplishments to various audiences through *The Third Branch*, the agency's monthly newsletter of record directed to judges and legislators, and through the *Federal Court Management Report*, the monthly newsletter published for court managers and employees.

National events and the Teachers Institute are highlights of the federal courts' outreach program. AO staff develop resources to support court outreach efforts. A hallmark of the program is the annual Open Doors to Federal Courts student event that in 2004 carried the theme, *The Role of Courts in Balancing Liberties and Safety*. More than 40 courthouses hosted more than 8,000 high school students for Open Doors programs.

The outreach program increased its impact by partnering with the CloseUp Foundation, which brings 32,000 high school students and their teachers to Washington, D.C. every school year. CloseUp has adopted three original programs offered by the federal courts. Other outreach program resources developed included a courthouse tour guide kit with tour scripts, activities, mock trials, jury simulations, and handouts. Educational materials provided on the Internet, J-Net, and a forthcoming CD-ROM center on lesson plans, activities, and basic information about the federal courts for use by teachers, judges, court staff, and attorneys across the country.

### Obtaining Feedback from the Courts

The AO reviewed how its managers solicit feedback from the courts. The review showed an extensive system for communicating with, and obtaining advice and input from, judges, court unit executives, and court staff, including:

- **Judicial Conference Committee Dialogue**  
The Director of the Administrative Office serves as Secretary to the Judicial Confer-



ence, and selected senior AO professional staff serve as committee chairs' primary points of contact with regard to committee charges and related business.

**More than 40 courthouses hosted more than 8,000 high school students for Open Doors to Federal Courts outreach programs, using resources developed and provided by AO staff.**

- **AO Advisory Group System**

The Administrative Office's advisory system allows AO managers to obtain input from the courts. AO managers meet semi-annually with members of the three advisory councils comprised of judges and Judiciary executives. The AO also relies on peer advisory groups and working groups of customers and users for advice when programs, products, or systems are under development.

- **Exposure Draft Process**

The J-Net is used to post proposed program and policy guidance for comment by any judge or court staff member. Publication of

these exposure drafts allows judges and court officials across the Judiciary to suggest modifications to improve the final guidance.

- **Web Sites and Electronic Bulletin Boards**

A variety of web sites provide program information and are used to solicit court feedback. For example, J-Net web sites exist for benefits, training, finance and budget, information technology, court administration, probation and pretrial services, court security, and federal rules of practice and procedure. In addition, a number of electronic bulletin boards support a regular exchange of information with court staff, especially about information technology systems.

- **Newsletters and Regular E-mail Reports and Broadcasts**

The AO publishes several periodical publications to keep judges and court employees informed, including *The Federal Court Management Report*, *The Third Branch*, and *News and Views*. Regular e-mail reports and broadcasts are used to notify judges and court managers about budget, policy or program matters, including the Director's Office Broadcast System and various court administration e-mail bulletins.

- **Routine Telephone Contact and Help Desks**

AO staff have daily telephone contacts on a variety of issues with judges, court unit executives, and court managers. In addition, help desk support is available to provide advice and assistance for users of nationally supported applications.

- **FJTN Broadcasts**

The AO uses the Federal Judiciary Television Network to offer training and critical information to court employees about administrative and operational topics, including information technology, security, procurement, benefits, etc. During live broadcasts, individuals in the courts can use a push-to-talk capability to ask questions or offer

feedback to the instructors or presenters. They can also submit questions and comments by fax to be addressed on the air. Programs are recorded and rebroadcast at different times during the day to accommodate viewers in different time zones.

- **Meetings, Conferences and Training Sessions**

When limited funds permit, AO representatives attend conferences of judges, unit executives, and others. These venues help the AO hear essential perspectives on court needs and use of services.

- **On-site Court Visits**

Visits by AO staff to implement technical systems, perform financial audits, or provide other program and technical assistance result in valuable feedback on AO services. ■

## In Profile



**The Director of the Administrative Office carries out statutory responsibilities and other duties under the supervision and direction of the principal policy-making body of the Judiciary, the Judicial Conference of the United States, whose presiding officer is the Chief Justice of the United States.**

## The Administrative Office of the U.S. Courts

### Statutory Authority

28 U.S.C. § 601-612. Congress established the Administrative Office of the U.S. Courts in 1939 to provide administrative support to federal courts.

### Supervision

The Director of the Administrative Office carries out statutory responsibilities and other duties under the supervision and direction of the principal policy-making body of the Judiciary, the Judicial Conference of the United States, whose presiding officer is the Chief Justice of the United States.

### Responsibilities

All responsibility for the Administrative Office of the U.S. Courts is vested in the Director, who is the chief administrative officer for the federal courts. Under his direction, the agency carries out the following functions:

- Implements the policies of the Judicial Conference of the United States and supports its network of 24 committees (including advisory and special committees) by providing staff to plan meetings, develop agendas, prepare reports, and provide substantive analytical support to the development of issues, projects, and recommendations.
- Supports about 2,000 judicial officers, including active and senior appellate and district court judges, bankruptcy judges, and magistrate judges.
- Advises court administrators regarding procedural and administrative matters.
- Provides program leadership and support for circuit executives, clerks of court, staff attorneys, probation and pretrial services officers, federal defenders, circuit librarians, conference attorneys/circuit mediators, bankruptcy administrators, and other court employees.

- Provides centralized core administrative functions such as payroll, personnel, and accounting services.
- Administers the Judiciary's unique personnel systems and monitors its fair employment practices program.
- Develops and executes the budget and provides guidance to courts for local budget execution.
- Defines resource requirements through forecasts of caseloads, work-measurement analyses, assessment of program changes, and reviews of individual court requirements.
- Provides legislative counsel and services to the Judiciary; acts as liaison with the legislative and executive branches.
- Prepares a variety of publications.
- Collects and analyzes detailed statistics on the workload of the courts.
- Monitors and reviews the performance of programs and use of resources.
- Conducts education and training programs on administrative responsibilities.
- Audits the courts' financial operations and provides guidance on management oversight and stewardship issues.
- Handles public affairs for the Judiciary, responding to numerous inquiries from Congress, the media, and the public.
- Develops new ways for handling court business, and provides assistance to court employees to help them implement programs and improve operations.
- Develops and supports automated systems and technologies used throughout the courts.
- Coordinates with the General Services Administration the construction and management of the Judiciary's space and facilities.
- Monitors the U.S. Marshals Service's implementation of the Judicial Facilities Security Program, including court security officers, and executes security policy for the Judiciary.



## Organization

Congress established the Administrative Office of the U.S. Courts in 1939 to provide administrative support to federal courts.

### **Director**

#### ***Leonidas Ralph Mecham***

Serves as the chief executive of the Administrative Office, Secretary to the Judicial Conference and member of the Executive Committee of the Judicial Conference, and member of the Board of Directors of the Federal Judicial Center.

### **Associate Director, Management and Operations**

#### ***Clarence A. Lee, Jr.***

Chief advisor to the Director on management, strategic, tactical planning and operational matters, and long-range planning coordination; ensures that activities of all agency elements are functioning in support of the Director's goals; oversees audit and review activities.

### **Associate Director and General Counsel**

#### ***William R. Burchill, Jr.***

Provides legal counsel and services to the Director and staff of the Administrative Office and to the Judicial Conference; responds to legal inquiries from judges and other court officials regarding court operations; represents agency in bid protests and other administrative litigation.

### **Judicial Conference Executive Secretariat**

#### ***Karen K. Siegel, Assistant Director***

Coordinates the agency's performance of the staff functions required by the Judicial Conference and its committees; maintains the official records of the Judicial Conference; and responds to judges and other court personnel regarding Conference activities; and coordinates the advisory group process.

**Legislative Affairs****Michael W. Blommer, Assistant Director**

Provides legislative counsel and services to the Judiciary; maintains liaison with the legislative branch; manages the coordination of matters affecting the Judiciary with the states, legal entities, and other organizations; develops and produces judicial impact statements.

**Public Affairs****David A. Sellers, Assistant Director**

Carries out public information, community outreach, and communications programs for the federal Judiciary; manages publishing efforts for the Administrative Office.

**Court Administration****Noel J. Augustyn, Assistant Director**

Provides support to the courts for clerks of court, circuit executives, court librarians, staff attorneys, conference attorneys, court reporters, and interpreters, including the development of budgets, allocation of resources, and management of national programs.

**Defender Services****Theodore J. Lidz, Assistant Director**

Provides policy guidance and administrative, analytical, training, and evaluative services relating to the Criminal Justice Act, and support to federal public and community defender organizations.

**Facilities and Security****Ross Eisenman, Assistant Director**

Manages services provided to the courts in the areas of court security and space and facilities, and serves as the primary contact on real property administration matters with the General Services Administration and on court security matters with the U.S. Marshals Service.

**Finance and Budget****George H. Schafer, Assistant Director**

Manages the budget, accounting, and financial systems of the Judiciary; prepares financial analyses

on Judiciary programs; manages relocation and travel services for the courts; and serves as the Judiciary's point of contact for Congress on budget matters.

**Human Resources****Charlotte G. Peddicord, Assistant Director**

Manages services provided to the courts in the areas of personnel, payroll, health and retirement benefits, workforce development, and employee dispute resolution.

**Information Technology****Melvin J. Bryson, Assistant Director**

Administers the information resources management program of the Judiciary; oversees the development, delivery/deployment, security, and management of all national IT systems.

**Internal Services****Laura C. Minor, Assistant Director**

Manages the Judiciary's procurement function; provides administrative support and services to the Administrative Office in areas such as budget, facilities, personnel, information technology and information management; and administers the Administrative Office's Equal Employment Opportunity programs.

**Judges Programs****Peter G. McCabe, Assistant Director**

Provides support and services for judges in program management and policy development, and assists judges and their chambers staffs in obtaining support and services from other components of the Administrative Office; gathers, analyzes, and reports statistical data.

**Probation and Pretrial Services****John M. Hughes, Assistant Director**

Determines the resource and program requirements of the probation and pretrial services system, and provides policy guidance, program evaluation services, management and technical assistance, and training to probation and pretrial services officers. ■





**Administrative Office of the U.S. Courts**  
**Washington, D.C. 20544**

[www.uscourts.gov](http://www.uscourts.gov)