

2003

# Annual Report of the Director

**Activities of the Administrative Office of the U.S. Courts**  
**Leonidas Ralph Mecham, Director**

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# Director's Message

Key Judiciary programs this past year were delayed, curtailed, or suspended due to uncertainty over the available level of funds. This meant that new judges in busy border courts were without chambers and courtrooms, the Judiciary's emergency reserve funds were depleted, and training, travel, and hiring were reduced dramatically.

The Administrative Office has focused its energies on helping courts steer through this difficult time so that core court functions can continue uninterrupted. When Judicial Conference committees wanted to study various funding scenarios, each with its own set of contingency plans, they turned to AO experts for input. When new budget systems needed to be developed, AO staff worked long hours to do so. When judges and court staff needed to receive regular funding updates, the AO assured timely and accurate communications.

We will continue to educate leaders in the other two branches of government about the unique aspects of Judiciary work and the dire impact of delayed and inadequate funding. The Administrative Office also will work with the Judicial Conference

and its committees to help prepare courts to cope with what could be several years of limited funding.

The Administrative Office communicates regularly with Congress about numerous Judicial Conference legislative initiatives. Topping the agenda in 2003 was the effort to secure the first pay raise for judges in well over a decade. Under the active leadership of Chief Justice William H. Rehnquist, this multifaceted strategy was spearheaded by the Judicial Branch Committee and involved several Supreme Court justices, numerous lower court judges, national bar associations, and staff throughout the AO. I firmly believe we did all that was humanly possible to remedy what the National Commission on the Public Service called "the most egregious example of the failure of federal compensation policies." And, in the words of the Chief Justice, "we came remarkably close" to achieving the goal. The Administrative Office will continue to explore all possible options for correcting this blatant inequity.

In 2003, some progress was made in the House on legislation that would give

the Administrative Office Director authority to establish a cafeteria-style benefits plan for judges and court employees and to use Judiciary funds to help defray the costs. In the coming year, we will work with the House and Senate toward enactment of this important legislation.

Administrative Office staff supply Congress with the justifications for new courthouses and judgeships. Regrettably, no new court of appeals judgeships have been created since 1990, and no new bankruptcy judgeships have been established since 1992, even though caseloads in both areas have increased dramatically. Although 34 district judgeships have been established in recent funding bills, no omnibus judgeship legislation has passed in 13 years, while district court judges nationwide have seen a growth in their workload. We will continue to make the case for more judgeships.

When the President's proposed fiscal year 2004 budget excluded funding for courthouse construction, I sent the request directly to Congress. We expect the first nine courthouses on the Judicial Conference priority list to be funded by Congress,



*Leonidas Ralph Mecham, Director*

and that money also will be provided for necessary repairs and alterations. Working with the General Services Administration, building safe and efficient courthouses remains an important part of the AO's business.

It is the Administrative Office's role to explain to Congress Judicial Conference positions that require legislation for implementation, draft testimony for hearings, and take other appropriate steps to seek enactment. The AO also identifies legislation that may be problematic to court operations and explains to Congress its potential impact. This past year, legislation that significantly limited judges' sentencing authority was enacted without public hearings or input from the Judiciary. Both the Chief Justice and I wrote Congress to express our serious concerns with the provision, which was attached in conference at the eleventh hour to a popular, fast-moving bill. The Adminis-

trative Office will continue to speak out about this ill-founded provision, and whenever judicial independence is in jeopardy.

Striving for efficient and cost-effective operations is a hallmark of the federal Judiciary. More than a decade ago, the Administrative Office launched a budget and management decentralization program to advance equitable funding formulas and offer court managers broad flexibility in expending those funds. As a result, funds managed directly by the courts now total \$2 billion annually, and savings to the American taxpayer have been substantial. The Chief Justice called the decentralized management program "enormously successful," and a 2003 independent review gave high marks to the courts and AO, and recommended that other federal agencies consider adopting similar measures.

Operational efficiencies extend to automation in the Judiciary. Great progress was

realized last year in new case management systems, known collectively as CM/ECF – Case Management/Electronic Case Filing. Growing numbers of attorneys and others doing business with the courts are finding it easier to file case documents over the Internet and to gain electronic access to court records. CM/ECF is operational in two-thirds of the bankruptcy courts, in a third of the district courts, and soon will be implemented nationwide.

In another information technology success, by the end of the year, more than 50 federal court districts were using the Probation and Pretrial Services Automated Case Tracking System-Electronic Case Management (PACTS-ECM). This system collects case-related information to produce statistical and workload reports for efficient case tracking. It also permits officers to access all case information available on their desktop computers while they are out in the field.

Helping courts share locally-developed information technology applications has resulted in greater efficiencies during 2003. A new web site with an applications library and discussion forum was established, and courts already have begun posting, sharing, and discussing applications that they have found effective, avoiding duplications in many technology efforts and expenses.

An area of concerted attention during 2003 was that of court security and emergency preparedness. Many federal courts developed, or are in the process of developing, continuity of operations plans (COOPs), designed to continue delivery of critical court services in the event of natural or manmade disasters and civic emergencies. Guided by the Administrative Office, courts have begun testing and validating their COOPs, and have been provided with enhanced emergency communications systems and tools. As the year closed, the AO was developing an educational CD-ROM to guide security planning and testing.

*“Regrettably, no new court of appeals judgeships have been created since 1990, and no new bankruptcy judgeships have been established since 1992, even though caseloads in both areas have increased dramatically.”*

These are among the highlights of what was an usually busy year. I suspect that tight budgets will impact Judiciary operations for some time, and we will do our best to help courts work within those constraints. However, long-term funding delays, like those we have experienced the past two years, simply are unfair. There is no reason to deprive the public of a fully functioning court system because of disputes between the political parties, or between the other two branches of government. The Administrative Office remains committed to fiscal responsibility, and continuously looks for ways to spend taxpayer dollars more efficiently. We regularly seek input from judges and court staff on cost-saving ideas and efficiencies and share these ideas Judiciary-wide. In 2004, we need to do more and we need to do it better, but with the handicap of insufficient resources. This is precisely the Administrative Office’s goal, as we head into the new year, committed to success. ■

# The Year In Review

Demonstrating perseverance and teamwork, the Administrative Office made great strides in service to the federal courts during 2003. Staff advanced new technologies for many aspects of court operations, delivered innovative training to strengthen core worker competencies, managed resource acquisition with attention to efficiency and cost effectiveness, and developed detailed plans for continuing the work of the Judiciary during emergencies.

Supporting the governance work of the Judicial Conference and its committees was a major focus of the Administrative Office throughout the year, as was asserting the voice of the Judiciary to Congress on a vari-

ety of issues. And, as the Judiciary's workload continued to grow, the Administrative Office remained fixed on guiding the federal courts' strong tradition of service to the public.

This report describes the Administrative Office's wide-ranging efforts in support of the Judiciary throughout 2003.

The Volcker Commission called for an immediate and significant increase in the salaries of federal judges, members of Congress, and high-level Executive Branch officials.

The Judicial Conference voted to support the JUDGES Act, a bill introduced in Congress to repeal most of the limitations of the PROTECT Act regarding judicial discretion in sentencing.

Judges and Administrative Office staff worked throughout the year with the appropriate congressional delegations and committees to obtain funding for new courthouse construction.



# Congressional Relations

Administrative Office personnel support the Judicial Conference and its committees through effective and constant communications with Congress. Agency staff convey and explain the policies adopted by the Judicial Conference to Congress, assist in the drafting of statements for judges testifying on behalf of the Conference, and identify and monitor legislation that could affect the organization and operation of the federal courts, particularly bills concerning judgeships, caseload, jurisdiction, appropriations, and courthouse facilities. They also respond to congressional inquiries regarding legislative proposals and constituent concerns.

During the first session of the 108<sup>th</sup> Congress, legislative action was taken on a wide range of issues of importance to the Judiciary. Judicial Conference committee chairs and other judges testified at hearings during 2003 in support of legislative proposals of the Conference and in response to issues that could affect the Judiciary.



## Judicial Pay

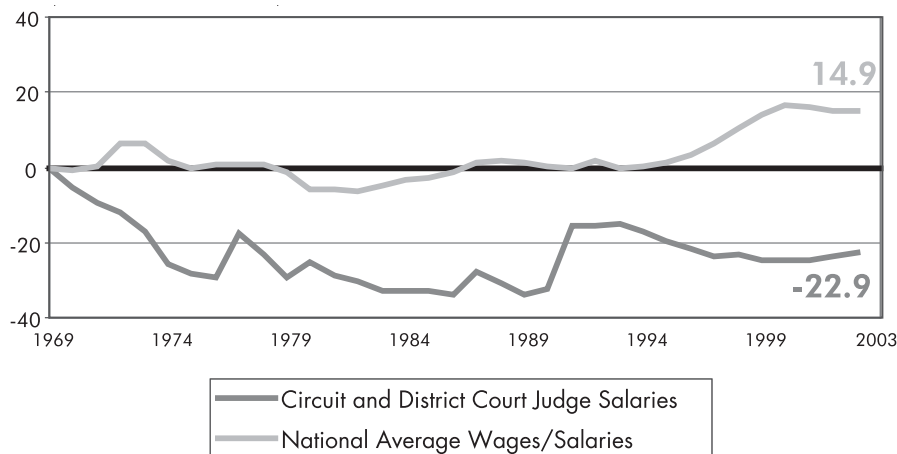
Despite a concerted effort by the Judiciary, and many supporters of an effective Judiciary, the initiative to provide a substantial pay raise for federal judges could not overcome the objections of the House Republican leaders. In the Senate, the Judiciary Committee had approved a bill to give judges a 16.5 percent pay increase. Throughout the year, facts and analyses became public, beginning with the January release of the Volcker Commission Report, which clearly explained the serious problem of decline in the value of judges' pay. The Commission called for an immediate and significant increase in the salaries of federal judges, members of Congress, and high-level Executive Branch officials. The American Bar Association and the Federal Bar Association issued a report on the threat to the vitality and independence of the federal Judiciary posed by the continuing erosion of judges' salaries. Soon thereafter, President Bush publicly announced his support for a 16.5 percent increase in the pay of justices and judges, an average increase of \$25,000. The Chief Justice personally convinced the President that the fair compensation of judges is of critical importance to the Third Branch.

Many justices and judges worked unrelentingly to convince key lawmakers in the House and Senate of the merits of the proposed pay raise. These efforts were coordinated by Judges Deanell Tacha and Richard Arnold and other members of the Judicial Conference Committee on the Judicial Branch, and included extensive support from Director Mecham, Administrative Office staff, judicial officers and bar associations, and many other friends of the judicial branch.

The Senate included the pay increase in the Judiciary's annual appropriations bill, and it was included in the fiscal year 2004 omnibus appropriations bill. Regrettably, key House leaders objected, and the authorizing language for the pay raise and the funds to pay for it were not included in the final conference report.

# Judicial Pay

Decline in Salaries of Judges Compared to Private Sector Wage Gains, Adjusted for Inflation From 1969 through 2003.



Efforts to secure a cost-of-living adjustment for the Judiciary were successful. On December 6, 2003, the President signed into law a bill authorizing a 2.2 percent Employment Cost Index (ECI) pay adjustment for federal judges, members of Congress and Executive Schedule employees, effective January 1, 2004. The Committee on the Judicial Branch, judges' associations, members of Congress, Director Mechem, and Administrative Office staff worked diligently to secure this needed salary adjustment. Other judicial branch employees will be receiving a 4.1 percent average cost-of-living adjustment, varying slightly based on locality pay areas.

## Sentencing Legislation

President Bush signed into law the PROTECT Act as P.L.108-21 on April 30, 2003, with provisions limiting the use of downward departures in sentencing. The Judiciary and the Sentencing Commission

were not consulted in advance concerning the downward departure provisions of the PROTECT Act. Most significantly, the law directly amends the U.S. Sentencing Guidelines, requires the United States Sentencing Commission (USSC) to amend the guidelines to "substantially reduce" the incidence of downward departures, prohibits the USSC from establishing any new grounds of downward departures on or before May 1, 2005, and establishes a *de novo* standard for appellate review of departure decisions. Both the Chief Justice and the Director wrote to Congress to express their concerns with portions of the legislation.

At its September 2003 meeting, the Judicial Conference voted to support enactment of the JUDGES Act, a bill introduced in both Houses of Congress to repeal most of the limitations of the PROTECT Act regarding judicial discretion in sentencing. Administrative Office staff worked with members of Congress on efforts to achieve passage of the JUDGES Act.

## Judicial Operations

Early in 2003, the Judicial Conference transmitted to Congress a proposed Federal Courts Improvement Act that would address major administrative, financial, personnel, and benefits needs of the Judiciary. One provision would authorize the Judiciary to provide its employees with a supplemental benefits package approaching those long offered throughout the private sector and by state and local governments. Another provision would make it a federal crime to file false liens against the property of a federal judge. The bill is pending before the House Judiciary Committee, but has not yet been introduced in the Senate.

## Courthouse Construction

The President's proposed budget for fiscal year 2004 did not include funding for courthouse construction projects, but did include \$257 million for 11 courthouse repair and alteration projects. Therefore, the Director of the AO directly submitted, for the first time ever, a formal budget request to Congress to fund new courthouse construction projects in fiscal year 2004. Judge Jane R. Roth (3<sup>rd</sup> Circuit), chair of the Judicial Conference Committee on Security and Facilities, met with leaders of the appropriations and authorizing committees and testified before one of the committees in support of courthouse funding. Other judges and Administrative Office staff worked throughout the year with the appropriate congressional delegations and committees to obtain funding for new construction.

As a result, the final conference report on the omnibus appropriations bill for fiscal year 2004, which was approved by the House of Representatives in December, 2003, was cleared by the Senate and signed by the President January, 2004, includes funding for nine new courthouse construction projects at \$205 million and 11 courthouse repair and alteration projects at \$248 million. The bill also includes \$17 million for a new federal building/annex to provide additional office space for administrative staff of the





*Judge Jane Roth (3<sup>rd</sup> Circuit) testified in July 2003 on the need to authorize courthouse construction projects before the House Transportation Infrastructure Committee's Subcommittee on Economic Development, Public Buildings and Emergency Management.*

Eleventh Circuit Court of Appeals in Atlanta, Georgia. All of the projects were funded at the level requested, except for the new courthouse in Los Angeles, which received only a portion of the requested funding. All of the projects, except Los Angeles, were also fully authorized in the House, but several are still awaiting additional Senate authorization, as they were authorized at lower levels last year. The Senate authorizing committee postponed action until completion next spring of a comprehensive study on the status of the federal court-

house construction program, which the committee asked the General Accounting Office to undertake.

### Other Legislation

Several bills introduced but not passed during the first session could significantly affect the Judiciary's operations. As the proposals were considered, judges, Director Mecham, and Administrative Office staff worked to raise awareness throughout Congress about the Conference's positions and

the impact these bills would have on the Judiciary. These bills included:

### Class Action Fairness Act

This legislation, which passed the House and was considered by the Senate, would provide 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 also would provide special rules for the removal of class actions from state to federal court. A "compromise" version of the class action legislation is expected to be deliberated further in the Senate during the second session.

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 that contains 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 2003

This proposal, which was reported favorably by the Senate Judiciary Committee, would create a "non-adversarial" administrative processing system for the resolution of asbestos personal injury claims through the United States Court of Federal Claims. Payments awarded to claimants would be funded by defendant companies and insur-

At the close of 2003, the Judiciary was still operating under a continuing resolution (CR), the sixth in a series of CRs holding spending to the prior year's level.

In order for the courts to continue operations, the Executive Committee of the Judicial Conference approved an interim financial plan for use during the period covered by the continuing resolutions.

At the direction of the Judicial Conference, Director Mecham transmitted to Congress the Conference request for the creation of additional judgeships.

ance carriers through a trust fund. The legislation would apply to pending asbestos cases in the federal and state courts. In 1991, the Judicial Conference urged Congress to consider “a national legislative scheme to come to grips with the impending disaster related to resolution of asbestos personal injury disputes, with the objectives of achieving timely appropriate compensation of present and future asbestos victims and of maximizing the prospect for the economic survival and viability of the defendants.” This session, the Conference reiterated its desire for asbestos legislation to provide for a nationwide solution, but the House of Representatives did not consider asbestos-related legislation.

### Multidistrict Litigation Restoration Act of 2003

This legislation, introduced in the House but not yet in the Senate, would respond to the Supreme Court’s decision in *Lexecon v. Milberg Weiss* to permit a district judge with a case transferred by the Judicial Panel on Multidistrict Litigation to retain the case for trial. The legislation also would amend the Multiparty, Multiforum Trial Jurisdiction Act of 2002, which granted the district courts original jurisdiction over civil actions involving minimal diversity between adverse parties arising from a single accident, where at least 75 persons died in the accident at a discrete location, so that the transferee court could retain the cases through trial. The Judicial Conference supports this legislation.

### DNA Legislation

In November 2003, the House passed the Advancing Justice Through DNA Technology Act of 2003, as amended. That bill would, in part: reauthorize, expand, and increase the funding for the DNA Analysis Backlog Elimination Act of 2000; authorize training for law enforcement, court and medical personnel on the use of DNA evidence; authorize grant programs to reduce other forensic science backlogs and to re-

search new DNA technology; establish rules for post-conviction DNA testing of federal prisoners, and require the preservation of biological evidence in federal criminal cases while the defendant remains incarcerated; provide incentive grants to states that adopt procedures for providing post-conviction DNA testing; and authorize funding to help states provide legal services for the prosecution and defense in death penalty cases. A similar bill with bipartisan support is pending in the Senate. The Judicial Conference supports the goal of establishing fair and uniform standards for post-conviction forensic DNA testing in the federal criminal justice system. It also supports the goal of ensuring that capital defendants have competent legal representation in both state and federal capital proceedings at every stage of their cases.

### Bankruptcy Reform Legislation

Early in the year, the House passed the Bankruptcy Abuse Prevention and Consumer Protection Act of 2003, a bill very similar to legislation passed by the House at

the close of the 107<sup>th</sup> Congress. The bill includes several provisions of concern to the Judiciary, including a bankruptcy judgeship provision that has been superseded by the Judicial Conference recommendation of September 2002, a duty on the part of bankruptcy clerks to maintain and control access to federal tax returns filed by debtors, a duty on the part of bankruptcy clerks and the Administrative Office to collect and report financial data of debtors, and re-allocation of revenues derived from filing fees to the Executive Office for United States Trustees. The Senate has not acted yet on related legislation.

### Victims Rights Constitutional Amendment

The Senate Judiciary Committee favorably reported a constitutional amendment that would grant various rights to the victims of violent crime, including the right to notice of public proceedings involving the crime or release or escape of the defendant; the right not to be excluded from such public proceedings and a reasonable right to be heard at release, plea, sentencing, reprieve



*Emphasizing the need for new bankruptcy judgeships, Judge Michael J. Melloy (8<sup>th</sup> Circuit), left, testified in May 2003 before the House Judiciary Subcommittee on Commercial and Administrative Law. Also testifying, from his left, are William Jenkins, GAO; Gordon Bermant; and Bankruptcy Judge Paul Mannes (D. MD), National Conference of Bankruptcy Judges.*

and pardon proceedings; and, the right to adjudicative decisions that duly consider the victim's safety, interest in avoiding unreasonable delay, and just and timely claims to restitution. The House Judiciary Subcommittee on the Constitution held hearings on companion legislation.

## Bail Bond Legislation

The House Judiciary Committee favorably reported to the full Senate the Bail Bond Fairness Act of 2003. The bill would amend Title 18, United States Code, and the Federal Rules of Criminal Procedure, to prohibit judges from forfeiting the bond of a criminal defendant for violating any provision of release other than failure to appear. Similar legislation was introduced in the 107th Congress. On behalf of the Judicial Conference, Judge Ed Carnes, Chair of the Advisory Committee on Criminal Rules, testified before the House Judiciary Subcommittee on Crime, Terrorism and Homeland Security, in opposition to the legislation.

## Ninth Circuit Split

The House Subcommittee on Courts, the Internet and Intellectual Property held a hearing on the Ninth Circuit Court of Appeals Judgeship and Reorganization Act of 2003, which would divide the Ninth Circuit into a new Ninth comprised of Arizona, California, and Nevada, and a new Twelfth Circuit, comprised of Alaska, Guam, Hawaii, Idaho, Montana, the Northern Mariana Islands, Oregon, and Washington. The bill also would create seven new judgeships for the two circuits. Chief Judge Mary Schroeder and Judge Alex Kozinski testified against the proposal and cited recent statistics describing the implementation of new internal procedures to generate significant improvements in the workload and operations of the court. Ninth Circuit Judge Diarmuid O'Scannlain presented arguments that the split would reduce case backlogs and alleviate travel burdens for judges and litigants.

# Funding The Federal Judiciary

## Fiscal Year 2003 Supplemental Appropriations

The Judiciary submitted a fiscal year 2003 supplemental request to Congress totaling \$32.2 million. The request was for \$12.2 million in the Judiciary's Salaries and Expenses account for the space build-out and other non-recurring expenses associated with the 15 new judgeships authorized in P.L. 107-273; \$17.2 million for defender services to cover the projected shortfall in panel attorney payments; and, \$2.8 million in the fees of jurors account to provide for the higher-than-anticipated costs associated with jurors.

Before beginning the August recess, Congress passed, and the President subsequently signed, an emergency supplemental, with no funding included for the Judiciary in that measure. To avoid the halting of civil jury trials and payments to panel attorneys, the fees of jurors appropriation and the defender services appropriation each received a \$5 million transfer from the emergency reserve of the Salaries and Expenses account.

Late in September, the House and Senate Committees on Appropriations completed conference on H.R. 2657, the fiscal year 2004 Legislative Branch Appropriations Bill. Title III of this bill included the Judiciary's full emergency supplemental request of \$32.2 million. All of the monies provided to the Judiciary will remain available until expended, into fiscal year 2004. The bill was enacted on September 30, 2003.





## Fiscal Year 2004 Appropriations

At the close of 2003, the Judiciary was still operating under a continuing resolution (CR), the sixth in a series of CRs holding spending to the level of the prior year's obligations. On January 23, 2004, the President signed the Consolidated Appropriations Act of 2004, which included funding for the Judiciary.

Back on July 23, 2003, the House of Representatives passed the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies (CJSJ) fiscal year 2004 appropriations bill. The Judiciary received a 6.3 percent increase over fiscal year 2003, the highest percentage increase received by any title in the bill. While most accounts including the courts' Salaries and Expenses account were funded at, or very close to, a level that would allow them to maintain their fiscal year 2003 levels of operations, both the defender services and fees of jurors accounts were more than six percent below current services.

On September 4, 2003, the full Senate Appropriations Committee approved its version of the fiscal year 2004 CJSJ appropriations bill, with two provisions affecting judges pay. The first waived section 140, thereby providing for a Cost Of Living Adjustment (COLA) of up to 2.2 percent for judges for 2004. The second provision provided a 16.5 percent pay increase and repealed section 140, which would allow for automatic COLAs for judges in the future.

The pay increase was included in an otherwise extremely austere fiscal year 2004 CJSJ Appropriation Bill. However, severely constrained budget allotments drove the committee's recommendation down to a 3.9 percent increase for the Judiciary overall, substantially below the 6.3 percent increase included in the House bill, but better than most other Departments and agencies in the bill fared. With few exceptions, Judiciary accounts were funded below current services.

In order for the courts to continue operations, the Executive Committee of the



*Explaining the need for adequate funding in fiscal year 2004 are, from left, U.S. Marshals Service Director Benigno G. Reyna; Chief Judge John G. Heyburn III, chair of the Judicial Conference Committee on the Budget; and Administrative Office Director Leonidas Ralph Mecham. They testified before the House Appropriations Subcommittee on Commerce, Justice and State, the Judiciary and Related Agencies, in March 2003.*

Judicial Conference approved an interim financial plan for use during the period covered by the CR(s). Temporary allotments were issued on October 1, 2003, and all courts were advised to refrain from hiring and from purchasing non-essential goods and services until approval of a final financial plan.

The full Senate did not take up the CJSJ appropriations bill independently. Instead the bill was included in an omnibus bill with six other spending bills. House and Senate negotiators reached an agreement on the conference report on the fiscal year 2004 omnibus appropriations bill and the report was filed on November 25, 2003, just prior to Congress leaving for the holiday break.

The bill provided an increase of 5.7 percent for the Judiciary, but two across-the-board cuts, one within the CJSJ bill and one government-wide, reduced funding for the Judiciary to only a 4.7 percent increase over fiscal year 2003. Further, the

16.5 percent pay increase for judges was not approved. The section 140 waiver that allows a 2.2 percent COLA for judges in 2004 has been provided in separate legislation. The bill did not approve any increase to panel attorney rates.

The House passed the omnibus bill on December 8, 2003, but a consent agreement in the Senate failed. Further action on the bill was deferred until after the Senate returned in January 20, 2004. In the meantime, the Judiciary was required to operate at the fiscal year 2003 level under the terms of the continuing resolution.

On December 10, 2003, the Judicial Conference Executive Committee approved a fiscal year 2004 financial plan based on the funding provided in the omnibus appropriations bill, which will be adjusted as necessary to reflect differences in the final enacted appropriations bill. Considering the adverse impact this constrained funding will have on federal court operations, the Judiciary submitted to the President a fiscal

year 2004 proposed emergency supplemental request for transmission to Congress. The supplemental, totaling \$55.6 million, is necessary to avoid involuntary separations and furloughs of federal court employees, and to avoid suspending payments made to court-appointed private attorneys under the provisions of the Criminal Justice Act.

### Five-Year Courthouse Project Plan

Significant congressional funding delays for courthouse projects since 1998 have created a growing backlog of unfunded courthouse projects on the Five-Year Courthouse Project Plan. With no end to delays in sight, all chief circuit judges were asked in April 2003 to recommend possible solutions. With most chief judges voicing support, the Judicial Conference in September froze the annual five-year plans until not more than \$500 million of courthouse projects remains on the first year. As another measure to handle the backlog, the Conference declared judicial space emergencies in Los Angeles, California; El Paso, Texas; San Diego, California; and Las Cruces, New Mexico. It placed those projects above other projects when it approved the Five-Year Courthouse Project Plan for fiscal years 2005-2009.

“Management in the Judiciary: Rules, Tools and Tips of Good Stewardship,” trained court unit executives for greater awareness of their administrative responsibilities.

## Judicial Resources

During the first session of the 108<sup>th</sup> Congress, 69 nominees for Article III judgeships were confirmed—13 court of appeals judges, 55 district court judges, and one in the Court of International Trade. As of January 2004, there were a total of 45 judicial vacancies—18 in the U.S. courts of appeals, and 27 in the U.S. district courts. Although the total number of vacancies has dropped over the last two years, the presence of numerous judicial vacancies on specific courts continues to be a serious concern.



## Article III Judgeships

At the direction of the Judicial Conference, Director Meham transmitted to Congress the Judicial Conference request for the creation of additional Article III judgeships. The proposed legislation would add nine permanent and two temporary judgeships to the courts of appeals, 29 permanent and 17 temporary judgeships to the district courts, and convert five existing temporary judgeships to permanent positions. It also would confer Article III status on the judgeships authorized for the Northern Mariana Islands and the U.S. Virgin Islands. The full Senate passed a bill that would create 13 new permanent district court judgeships, one new temporary judgeship, and convert two temporary judgeships into permanent judgeships.

Related legislation has not been introduced in the House, although a Judiciary Committee subcommittee held a hearing on the need for additional federal judgeships. Judge Dennis Jacobs (2<sup>nd</sup> Circuit), chair of the Judicial Conference Committee on Judicial Resources, testified on behalf of the Conference recommendations.

## Bankruptcy Judgeships

The Judicial Conference's bankruptcy judgeship recommendations were provided to Congress in early 2003. The proposal seeks 29 permanent and seven temporary judgeships in 22 judicial districts, and requests conversion of two existing temporary judgeships to permanent positions and extension of two existing judgeships for five additional years. A hearing on these recommendations was held by the House Judi-

*“Director Meham transmitted to Congress the Judicial Conference request for the creation of additional Article III judgeships.”*

ciary Subcommittee on Commercial and Administrative Law. Judge Michael J. Melloy (8<sup>th</sup> Circuit), chair of the Committee on the Administration of the Bankruptcy System, testified on behalf of the Conference's request. However, when the House passed its bankruptcy reform legislation early in the year, it included authorizations derived in part from the Conference's earlier recommendations, creating 28 temporary judgeships and extending the terms of four existing temporary judgeships for five years.

The Senate passed legislation to create new district court judgeships that included authority to create 36 bankruptcy judgeships, consistent with the current Conference recommendation.

## Magistrate Judges Positions

In fiscal year 2003, there were 477 full-time and 54 part-time magistrate judge positions, and three combination clerk/magistrate judge positions. Another 10 new full-time magistrate judge positions were authorized for fiscal year 2004. Three of the 10 represent conversions of existing part-time positions to full-time status. The increases are due to growing caseloads and expanded use of magistrate judges by the district courts.

## Intercircuit Assignments

In support of the Committee on Intercircuit Assignments, Administrative Office staff assist in processing assignments for Article III judges to serve outside their home circuits or, in the case of the judges of the Court of International Trade, to serve on other Article III courts. During the first six months of 2003, the Committee processed, and the Chief Justice approved, 62 intercircuit assignments for 48 Article III judges. Of the 62 approved assignments, 36 were to courts of appeals and 26 to district courts. Administrative Office staff also continued to assist in maintaining rosters of both active and senior judges willing to take intercircuit assignments and in identifying judges willing to help courts in need.

## Inter- and Intra-Circuit Assignment and Service by Recalled Bankruptcy Judges

The Administrative Office monitors the deployment of bankruptcy judges outside their home districts to assist overburdened courts. Bankruptcy judges may serve, with permission of the pertinent circuit councils, on intra-circuit or inter-circuit assignment. For the 12-month period ending June 30, 2003, bankruptcy judges provided more than 10,300 case-related hours of assistance to help manage a record-breaking national bankruptcy caseload. Intra-circuit assignments accounted for 6,773 hours of trial and other case-related work. Inter-circuit assignments, which require the approval of the chief circuit judge of both the borrowing and the lending circuits, accounted for 3,534 hours. Many of these assignments

The Administrative Office monitors the deployment of bankruptcy judges outside their home districts to assist overburdened courts.

The Federal Rules of Practice and Procedure are posted on the Judiciary's web site for public comment: [www.uscourts.gov/rules](http://www.uscourts.gov/rules).

Central to the Administrative Office's statutory charge is providing sound management and administrative guidance, as well as program leadership to the federal courts.



were filled by retired bankruptcy judges, who continue to serve in a recalled capacity. An average of 31 bankruptcy judges were recalled to service in fiscal year 2003.

## Judges' Orientation Programs

Orientation programs for new chief judges and judicial nominees are a key element of Administrative Office outreach efforts. In 2003, 18 orientations were conducted for 79 nominees for Article III and non-Article III judgeships. The one-day program provides an overview of the Administrative Office and its services for judges and courts, focusing on information the nominees need when they first take office.

In 2003, there were also orientation programs conducted for two new chief circuit judges and 16 new chief district judges. The program focused on the responsibilities of the chief judges and the assistance they can obtain from the Administrative Office.

## Judges' Retirement and Benefits Outreach Programs

Retirement and benefits programs continued to draw significant interest from judges in 2003. Particular focus was placed on planning for retirement, with emphasis on the Judiciary's long-term care insurance and flexible benefits programs. Three retirement planning programs for bankruptcy judges and two for magistrate judges were conducted in conjunction with educational programs sponsored by the Federal Judicial Center.

Several benefits presentations and benefit profile review programs were con-

ducted for Article III judges, bankruptcy judges, and magistrate judges at individual courts, at three circuit judicial conferences, and as optional sessions added to the Federal Judicial Center's circuit workshop programs. In a continuing effort to disseminate information early in a judge's career, eight benefits programs were conducted as part of the Federal Judicial Center's video orientation programs for new district judges, bankruptcy judges, and magistrate judges.

## Financial Disclosure

Working with the Committee on Financial Disclosure, the Administrative Office continued educational outreach efforts on financial disclosure filing requirements and procedures. This year, presentations were offered to new judges attending nominee orientations at the Administrative Office and as part of the Federal Judicial Center's new judge video orientation programs. Staff also participated in training programs for judges' secretaries and judicial assistants, providing information to aid them in assisting the judges in the preparation of their financial disclosure reports. In addition, the staff has developed and released newly upgraded financial disclosure software to assist in the filing process.

## Federal Employees Group Life Insurance Program for Judges 65 and Over

Since 2000, the Judiciary has been authorized to pay for increases in FEGLI premium rates for Article III judges age 65 and over. In January 2003, the Office of Person-

nel Management (OPM) imposed long-expected increases in the FEGLI premium rate schedule for Option B—Additional Coverage, which allows an enrollee to purchase supplemental insurance coverage up to five times the enrollee's annual rate of pay. The new rate structure creates additional categories that require enrollees age 65 and over to pay substantially more for life insurance. Additional increases in the rates will take effect in January 2004 and 2005.

When OPM first proposed increases in Option B premium rates in 1999, the Administrative Office, with strong support from the Judicial Conference and individual judges, vigorously fought it. The effort was successful in getting legislation passed that authorizes the Director of the AO to pay on behalf of all active and senior Article III judges age 65 and over who are enrolled in the FEGLI program "the full amount of any increases in the cost (and any expenses associated with such payments) of the judges' insurance imposed after April 24, 1999." Total benefits to senior judges this year will be \$2.1 million.

## Federal Rules of Practice and Procedure

The Judicial Conference Committee on Rules of Practice and Procedure and its five advisory committees propose amendments to the rules that govern all federal court proceedings. In 2003, the Administrative Office staff supported the rules committees during their dozen meetings and followed up to implement the committees' decisions.

The Judicial Conference approved amendments to the Federal Rules of Bankruptcy and Criminal Procedure, and the

KPMG endorsed budget decentralization as a financial management program for the courts and noted that other federal agencies could profit from an examination of the program.

The Administrative Office initiated a project to identify and assess cost-effective and efficient delivery of administrative support services to the courts.

Federal Rules of Evidence at its September 2003 session for submission to the Supreme Court. The amendments include comprehensive style and substantive amendments to the Rules Governing Section 2254 Cases in the United States District Courts, Rules Governing Section 2255 Proceedings for the United States District Courts, and the official forms accompanying the section 2254 and section 2255 rules.

Administrative Office staff placed proposed amendments to the Federal Rules of Practice and Procedure on the Judiciary's Federal Rulemaking Internet web site for public comment, which can now be submitted electronically. In addition, pamphlets and brochures summarizing the proposed rules amendments were prepared and distributed to the public. The rules web site was modified to make it easier for users to find, research, and track proposed amendments as they proceed through the rule-making process. The redesigned home page includes more information on the status of proposed rule amendments and rules committees' activities. The home page also was reformatted to make it easier for the user to see and navigate through the additional material. Staff continues to update and expand the amount of rules-related content on the web site.

Administrative Office staff monitored congressional activity in the rule-making process and advised the rules committees of 27 separate pieces of legislation introduced in, or passed by, the Congress during the past year that could affect the federal rules of practice and procedure. Staff also prepared position papers and correspondence to Congress expressing the views of the Judiciary relating to rules-related issues in legislation.



*Judges and court employees from China were among many international delegations that attended briefings on the U.S. court system.*

## International Judicial Relations

Court systems in other countries continue to seek opportunities to visit and learn from the U.S. court system. In 2003, the Judicial Conference Committee on International Judicial Relations again coordinated the Judiciary's involvement in the rule-of-law component of the Open World Program at the Library of Congress. Six sessions were held, during which 241 Russian judges participated in a two-day orientation

with the Administrative Office in Washington, D.C. and then were hosted for a week in one of 39 different U.S. courts and communities. Additionally, numerous requests for help came from other countries, international organizations and U.S. government agencies. Administrative Office staff held briefings for 52 international delegations that included 392 judges and court administrators from three dozen countries.

For the second year, Administrative Office staff, with the U.S. Patent and Trademark Office and the Federal Judicial Center,

Administrative Office staff collaborated with court staff to minimize the impact of the numerous worms and viruses that attacked computers world-wide in 2003.

Staff are cooperating with academic researchers in the study of changing trial patterns.

All appellate, district, and bankruptcy courts are currently using Statistics Electronic Forms (SEF) to report data that previously had been reported using paper forms.

conducted a week-long conference on intellectual property and the Judiciary for judges from eight countries. Staff also conducted briefings, attended international conferences, and participated in video conferences with judges and court employees in Central and South America, France, Russia, China, and Ghana to discuss, and offer guidance on, various legal issues.

Administrative Office staff assumed administrative responsibility for the continued support and development of a database and web-based questionnaire of federal judges, court administrators, and defenders interested in assisting foreign judiciaries and international organizations with judicial reform and establishment of the rule of law.

## Publications for Judges

The Administrative Office has worked to revise several of the publications in the Judges Information Series. These updates focus on good stewardship of public resources, updated pay and benefit information, and expanded discussion of security and emergency preparedness issues. One new addition to this series is *A Brief Guide to Judges' Travel*. This pamphlet, recently completed for publication, offers a concise description of the travel regulations and policies applicable to judges.

A revised pamphlet has been prepared describing the magistrate judges system and the legal, historical, and policy context in which courts define the roles of magistrate judges. In addition, various memoranda and bulletins have been sent to the courts summarizing significant recent cases addressing the authority of magistrate judges and effective use of magistrate judges by the district courts.

In fiscal year 2003, Telephone Interpreting Program (TIP) services were used in nearly 2,600 events, a 64 percent increase from fiscal year 2002.

# Recognition of Court Staff

Central to the Administrative Office's statutory charge is providing sound management and administrative guidance, as well as program leadership to the federal courts. The AO performs this role through the provision of many services, including developing management and business plans, procuring information technology resources, administering payroll and benefits, supporting legal research, and gathering and reporting statistical data.

## Recognition of Court Staff With Director's Awards

Each year, the Director solicits nominations for awards to honor employees of the federal courts for 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."

In 2003, the recipients of the *Director's Award for Outstanding Leadership* were:

- Wally A. Edgell, Ph.D., Clerk of Court  
United States District Court - West Virginia
- Frank Schwartz, Chief Probation Officer  
United States District Court - Florida (Southern)



Wally Edgell



Frank Schwartz

In 2003, the recipients of the *Director's Award for Excellence in Court Operations* were:

### Court Technology

- Chengli Gou, Applications Developer  
United States Bankruptcy Court - Texas (Western)
- Russ Reynolds, Systems Manager; and Hoa Tran,  
Systems Programmer  
United States Bankruptcy Court - California  
(Southern)



Chengli Gou



Russ Reynolds



Hoa Tran

### Court Support

- CM/ECF Project Team, including Kelly Brewer, Assistant Systems Manager; Gail Carlson, Financial Technician; Susie Cordero, Secretary to Unit Head/CDC; Edward Champion, Courtroom Deputy; Tracey Couling, Automation Specialist; Kathy Griess, Supervisor Courtroom Operations; Beth Hansen, Docket Clerk Specialist; Pat Merritt, Deputy Clerk in Charge; Luta Pleiss, Help Desk/Software Trainer; Jennifer Stone, Docket Clerk Supervisor; Thomas Wisinski, Chief Information Officer; Therese Bollerup, Law Clerk; and Patricia Vansteenburgh, Secretary to Magistrate Judge.  
United States District Court - Nebraska





# Guiding Effective Court Management



## Court Allotment Formulas

In fiscal year 2003, several formulas for allotting court funds were updated for implementation in fiscal year 2004. As with previous major budgetary process evaluations and changes, these modifications were made by court advisory representatives working with Administrative Office staff. The changes to formulas for fiscal year 2004 more closely align allotments with actual spending trends in the courts.

The Budget and Financial Advisory Council (BFAC) was the central advisory group that worked many hours with AO staff reviewing the allotment formulas and recommending adjustments. The BFAC comprises 18 court unit executives and four judges, representing each of the four court programs (district courts, bankruptcy courts, courts of appeals and circuit units/offices, and probation and pretrial services offices). Between meetings, BFAC members had opportunities to discuss various proposals with their colleagues and other court advisory bodies. In evaluating the various proposals and developing their recommendations, BFAC members were asked to use the following criteria:

- Alternatives that provide the clearest linkage between the staffing formula and funding levels and otherwise maintain credibility with Congress,
- Alternatives that allot the right amount of funds to meet actual court funding needs for the costs in question,
- Alternatives that distribute funds most equitably and fairly to individual court units and court programs,
- Alternatives that offer better incentives for courts to limit hiring and pay decisions to actual needs—without regard to the effects on future allotments,
- Alternatives that can be more easily explained to and understood by the courts.

To communicate these changes to the courts, shadow allotments were made available and a document, "Budget Decentralization White Paper: Proposed Formula Changes for fiscal year 2004," was posted on the J-Net intranet web site.

## Assessment of the Budget Decentralization Program

After 10 years experience with decentralized budget management in the courts, the Administrative Office contracted with KPMG LLP in November 2002 to conduct a comprehensive, independent assessment of the decentralization program. The objectives of the assessment were to: determine whether the original objectives of the program had been achieved; identify any unintended consequences of implementation of the program; identify existing or potential gaps or weaknesses in the program; and, present recommendations for the future fine-tuning of the program.

The KPMG project team interviewed more than 90 chief judges, court unit executives, and AO senior staff in order to assess the budget decentralization program. They also extensively reviewed court financial data from fiscal year 1994-2002, published budget guidance for judges and court unit executives, and budget training products and programs.

In summary, the findings state:

- KPMG endorsed budget decentralization as a financial management program for the courts and noted that other federal agencies could profit from an examination of the program.
- The courts and the AO view budget decentralization as an overwhelming success.
- Budget decentralization promotes major cost efficiencies, and the Judiciary saved \$1.3 billion in the Salaries and Expenses appropriation account between fiscal year 1994-2002.

- The formula allotment process is a rational means of allotting funds equitably and fairly to the courts. Courts have a high regard for the quality of AO support provided.

A detailed history and current status of the budget decentralization program, combined with the KPMG assessment, will be released early in 2004.

## Staffing Requirements and Analysis: Work Measurement Program

Under the leadership of the Judicial Conference's Committee on Judicial Resources, the Administrative Office completed the third update cycle of the Work Measurement Program in the district clerks' offices, bankruptcy clerks' offices, and probation and pretrial services offices.

Data from each of the update cycles are analyzed and compared. A special staffing study on implementation of the Case Management and Electronic Case Filing system (CM/ECF) for district courts reveals most courts have been able to complete it without additional staff. However, implementation was found to be time-consuming, so the need for additional assistance will be examined on a court-by-court basis. As directed by the Committee on Judicial Resources, the AO started revising all district court formulae to reflect new work and operational changes.

If approved in fiscal year 2004, the staffing formulas would be used for the fiscal year 2005 allocation and the budget submission for fiscal year 2006.

A work measurement study of the Judicial Panel on Multi-District Litigation was performed by request of the Executive Attorney and Panel Clerk. Using standard work measurement procedures, total work effort was measured and mathematical analysis of the resultant time and workload data was performed. The Judicial Conference approved the recommended formula structure for application commencing fiscal year 2004.

## Judiciary Administrative Services Process Improvement Program

In conjunction with, and as part of, the Judiciary Administrative Services Process Improvement Program, work groups comprised of court unit staff were established and process reviews of the Judiciary's human resources and information technology services were completed. First, the work groups used accepted methods to assess the human resources services and levels of support, and to develop staffing models as guides to court unit executives. They then followed the same process for services and support in information technology.

## Revised Advisory Structure

The Administrative Office relies on advice and recommendations on court matters from a formal advisory structure of judges and court representatives appointed by the Director. Advisory councils are one of four types of advisory groups whose regular feedback can help shape policies and programs for the courts.

In response to a need identified by court representatives and AO managers, the advisory council structure was modified in 2003 to address cross-cutting issues in a more focused, intensive manner. The new Budget and Finance Advisory Council, Human Resources Advisory Council, and the Technology and Facilities Advisory Council meet concurrently twice a year. Their efforts complement three other types of groups that continue to advise the AO as they have in recent years. The peer advisory groups offer input on matters affecting particular positions or offices represented; ad hoc working groups offer customer and user advice to the AO as it develops new programs, products, systems, applications, or methods; and expert/user panels are a ready resource of individuals with specialized or technical expertise who may be called on to provide input to the AO, by advisory councils, or by other advisory groups.



*The Technology and Facilities Advisory Council includes judges and court representatives who offer advice and feedback to the Administrative Office in their areas of expertise. Four types of advisory groups help shape policies and programs for the courts.*

## **Study of Administrative Services**

Responding to requests from the Judicial Conference's Budget and Judicial Resources committees, the Administrative Office initiated a project to identify and assess cost-effective and efficient delivery of administrative support services to the courts. First, the Administrative Office formally surveyed all court units for baseline information on staffing levels and sharing arrangements, and gauged satisfaction levels with current administrative services to court units.

In the second phase of the initiative, an independent, comprehensive study of services will be conducted by IBM Business Consulting Services and its subcontractors, the Urban Institute and the National Center for State Courts. They will evaluate the delivery of administrative services in the Judiciary, as well as similar operations in both

the public and private sectors. Their full report and recommendations are expected in January 2005.

## **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 2003, the Administrative Office performed or contracted for 53 cyclical financial audits of the courts and 60 other financial audits, including Chapter 7 trustees, Criminal Justice Act grantees, and special audits such as audits to follow-up on 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 introduced an analytical software program to its audit program 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 2003, reviews were conducted in three appellate courts, five district courts, 17 bankruptcy courts, 12 federal public defender organizations, two pretrial services offices, and nine probation offices.

## Stewardship Training

The Administrative Office completed its stewardship training program for court unit executives, *Management in the Judiciary: Rules, Tools and Tips of Good Stewardship*. Two sessions were held in 2002 and two in 2003, with a total of 330 court executives participating. Each two-and-a-half day workshop was designed to emphasize the leadership role of court unit executives, and to promote a greater awareness of the scope of their administrative responsibilities. The program highlighted major rules, available tools, and tips to successfully manage the administrative business processes in the courts.

Panel sessions included court and AO personnel, and small group discussions focused on specific questions. The program included sessions on ethics, audits, and internal controls complementing functional sessions on financial management, procurement and contracting, facilities and security management, property management, human resources administration, and information technology management.

A similar program developed specifically for the federal public defender community will be offered in 2004. Plans are underway to adapt the stewardship training program to a web-based format for chief deputies and other court managers.

## Internal Controls Handbook

Following an extensive collaborative effort by Administrative Office staff and court managers, an *Internal Controls Handbook for the Federal Courts* was published and posted on the J-Net. This handbook was developed to assist managers in reviewing and developing internal control procedures consistent with applicable poli-

cies and regulations. It provides a tool for managers to comply with the requirement to review their internal control procedures at least annually. Each section of the handbook contains simple checklists of basic internal control requirements for segregating duties, controlling and protecting assets, maintaining necessary records, performing verification and review activities, and restricting access to sensitive information or assets. The handbook references policy documents pertinent to each business area, and practical suggestions are scattered throughout.

## Long-Range Planning

The Administrative Office supported two long-range planning meetings of Judicial Conference committee chairs in 2003, as well as long-range planning activities by individual Judicial Conference committees. The committees examined trends, events, and policies affecting Judiciary programs, and considered possible courses of action to address them. Long-range planning meetings in March and September were led by Judge D. Brock Hornby (District of Maine), the Executive Committee's planning coordinator. As a group, the committee chairs focused on broad trends and issues that cut across committee lines affecting the work, resources, and operation of the courts, including workforce planning and strategies for controlling budget growth.

## General Accounting Office Studies

The Administrative Office coordinates the Judiciary's provision of information and responses to General Accounting Office (GAO) written testimonials and reports. In fiscal year 2003, the GAO commenced four noteworthy studies, including a review of workload measures for assessing the need for appellate, district, and bankruptcy judgeships; downward departures from the U.S. Sentencing Guidelines; financial disclosure redaction authority, and procedures for public access to judicial misconduct com-

plaints, and a history of the courthouse construction program.

## Federal Courthouse Construction Resources

During 2003, several resources were developed on best practices to help the courts, GSA, and others plan and design a new courthouse or major renovation, including:

- *United States Courts Courthouse Design Reference Manual*. This manual shares with planning teams design details for courtroom benches, witness boxes, reporter stations, lecterns, counsel tables, etc., that have proven successful in federal courthouses. Following the same chapter order and loose-leaf format as the *U.S. Courts Design Guide*, the *Manual* also will be published on the J-Net. The *Design Reference Manual* was distributed to various project teams in 2003.
- *United States Courts Courtroom Mock-up Evaluation and Assessment Report*. This report provides directions for the design, construction, and use of a courtroom mock-up. It analyzes the advantages and disadvantages of full-size courtroom mock-ups for the courthouse projects in Gulfport, Mississippi; Helena, Montana; Miami, Florida; and Orlando, Florida.
- *Conducting Effective Courthouse Visits*. This manual, produced with the General Services Administration, explains how courthouse project team visits to new courthouses can help teams just starting the courthouse design process. It describes how to prepare for visits, what problems to expect and issues to consider, and takes the reader through an actual visit.

Additional resources are planned for release in 2004.

## Employee Relations

The Administrative Office began training circuit employment dispute resolution (EDR) coordinators in a program, “*EDR Claims: Lessons Learned*.” This training uses role-playing exercises to examine the responsibilities of EDR Coordinators, and helps participants update their EDR plans. Representatives from the remaining circuits will be trained in fiscal year 2004. Those trained will in turn train other EDR coordinators in their circuits. Participants recommended that the training also be offered to court managers. Judge participants highly recommended that a training program for judges be crafted on this topic, focusing on the types of issues apt to arise with EDR claims, and on possible changes to EDR plans.

In fiscal year 2003, the Administrative Office developed 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 has significant advantages, including an integrated input and report module, faster data entry, and more flexible reports. FEPS allows the AO to produce *The Judiciary Fair Employment Practices Annual Report*.

The AO updated and supplemented its heritage celebration materials for the courts, revising judge lists and adding historical charts of judge appointments. 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, namely, African American, Women’s History, Asian and Pacific Islander, Hispanic, and Native American.

## Electronic Public Access

The Electronic Public Access (EPA) Program facilitates and improves electronic public access to court information at a reasonable cost, in accordance with legislative and Judiciary policies, security requirements, and user demands. The Administra-

tive Office manages the development and maintenance of electronic public access systems in the federal Judiciary and, through the PACER (Public Access to Court Electronic Records) Service Center, provides centralized billing, registration, and technical support services for the Judiciary and the public. Great advancements have been made in the quantity and quality of court information available to the public electronically over the past decade, and the EPA program has grown accordingly since its inception more than 10 years ago.

The EPA Program is mandated by Congress and funded entirely through user fees. A significant portion of this revenue funded the development and implementation of the Case Management/Electronic Case Files (CM/ECF) system.

## Overall Accomplishments

Across the board, there were significant accomplishments in the EPA program during 2003.

*Judicial Conference Amendments:* The Judicial Conference approved an amendment that extends the per-document fee cap of \$2.10 (30 pages) to all case documents, including docket sheets and case-specific reports, with the exception of transcripts of federal court proceedings. The Conference also endorsed a more restrictive exemption policy.

*Department of Justice (DOJ) Fee Agreement:* The Administrative Office renewed an interagency agreement with DOJ by which the AO bills the DOJ an annual subscription amount based on DOJ’s actual PACER usage.

*Instant Registration Project:* PACER Service Center (PSC) staff developed an instant registration agreement for PACER to take effect in fiscal year 2004. Users will be able to register with a credit card for near immediate access and automatic billing. Current users may also sign up for credit card billing.

*PACER Service Center (PSC) Statistics:* The PSC answered nearly 104,000 support calls, responded to over 31,600

e-mails, and logged over 113,600 new PACER registrations during 2003. Consequently, PACER now has nearly 300,000 registered users.

*Automatic Check Clearing Pilot Program:* The AO was one of the first federal agencies to participate in a pilot program of paper check conversion. However, staff will reassess the program in early 2004.

*Modernization Project:* The PSC has completed a modernization effort by moving its accounting system to an INFORMIX database.

*Security Assessments:* The AO conducted two security posture assessments to guide the courts in maintaining and improving the security of the public access systems.

## Case Management/Electronic Case Files

The Case Management/Electronic Case Files (CM/ECF) system for all court types has dramatically improved electronic public access, and has gained the federal courts recognition as leaders in electronic filing for the legal community. Nationwide rollout of the system began in the bankruptcy courts in 2001, expanded to district courts, and remained on schedule during fiscal year 2003. Appellate courts began the process of testing portions of their system, and they will continue that process and provide their feedback and assessments throughout 2004.

Fiscal year 2003 was a period of rapid growth in CM/ECF usage, as 46 more courts began implementation, raising to 148 the number of courts using or actively phasing in the system. By the end of the year, nearly 50,000 attorneys had filed electronically over the Internet, and monthly volumes had reached more than 100,000 case openings and 2.5 million docket entries. Similar growth is expected until the national rollout is completed in 2005. Implementation is a joint effort of the courts and the AO. Each court works with a multi-dis-

disciplinary team from the AO over the course of about 10 months to make the transition to the new system.

The AO teams assist the judges, clerks, and staff with that transition by providing training and by offering guidance in the analysis of technology, business, legal, and policy issues related to CM/ECF. The AO also provides continuing operational support for the courts using the system, and develops tools to aid in both implementation and operations. Efforts in 2003 included a special focus on judges' needs, which resulted in: a video program, *CM/ECF, a View from the District Court Bench*; a new reference document, the *CM/ECF Chambers Handbook*; and increased emphasis on implementation of the Magistrate Judge Statistics Through Automated Records (MJSTAR) features.

In addition to progress in implementation, there was also progress in development. Significant enhancements were made to both the bankruptcy and district products during last year. Among those enhancements were changes to comply with the privacy policy effected in December 2003 that shields social security numbers from public queries.

### Statistical Data Gathering and Reporting

#### Streamline Timely Access to Statistics (STATS)

A new system for collecting, analyzing, and reporting statistics is under development. The STATS system will provide an updated environment for the statistical caseload data residing in the Administrative Office's databases. The data currently reside in 13 stand-alone databases that, due to their age, are increasingly at risk of losing support from the vendor. STATS will replace all existing databases with one, integrated database. Employing newer technology, this enterprise database will significantly enhance security and support capabilities, while offering authorized users increased abilities to perform analyses, access data, and submit queries.

### Recommendation 73

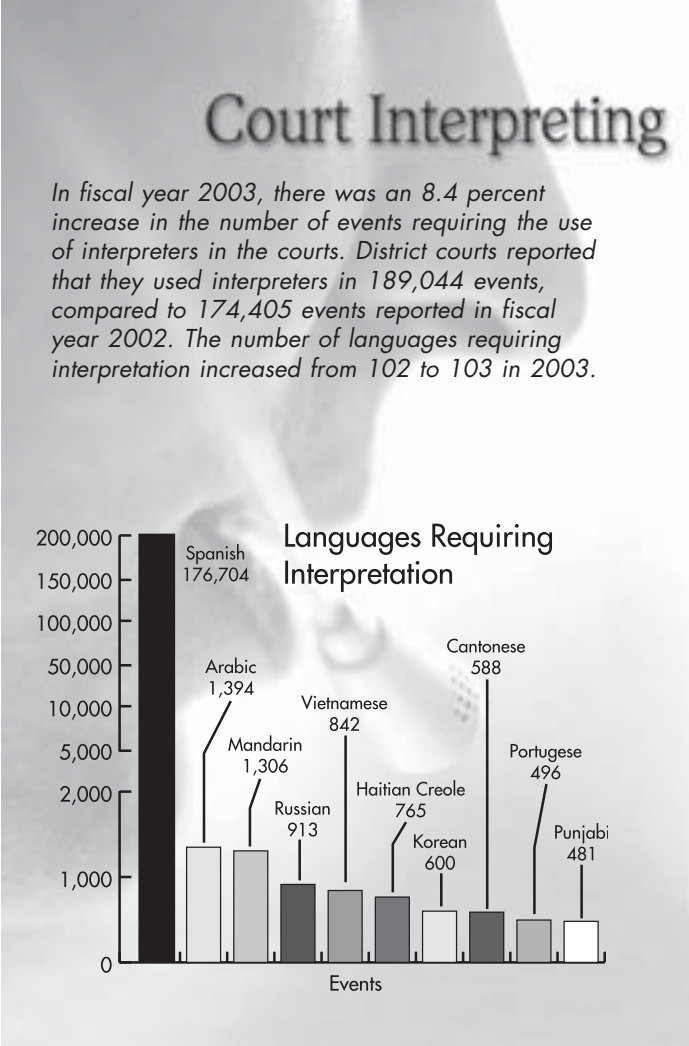
Recommendation 73 of the *Long Range Plan for the Federal Courts* calls for a comprehensive review of the statistical data and information needs of the Judiciary. The first two phases of the review, which addressed appeals and bankruptcy, have been completed. The third phase, involving district court activity, is underway. 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.

### Statistics Electronic Forms

The Administrative Office has implemented a new automated system, Statistics Electronic Forms (SEF), for collecting statistical data from the courts. Nine forms, available online, resemble the paper forms being replaced, so users in the courts do not need extensive training to switch to SEF. Edits within each field on an SEF form prevent courts from entering data incorrectly. Data entered on SEF are uploaded to the mainframe each night and added to the Administrative Office's database. All appellate, district, and bankruptcy courts are currently using SEF to report data that previously had been reported using paper forms.

### Interpreter Certification and the National Court Interpreter Database

In fiscal year 2003, 59 candidates successfully passed the written and oral Spanish/English interpreter examinations and were certified as interpreters. Certified in-



In fiscal year 2003, there was an 8.4 percent increase in the number of events requiring the use of interpreters in the courts. District courts reported that they used interpreters in 189,044 events, compared to 174,405 events reported in fiscal year 2002. The number of languages requiring interpretation increased from 102 to 103 in 2003.

interpreters and academicians wrote and reviewed the examinations, with input and review from judges and attorneys. Bilingual judges and lawyers helped validate the testing program and assessed the performance of certified interpreters working in the courts. Assessment results indicate that successful completion of the certification examination is a strong indicator of court interpreter performance.

The Administrative Office continued to maintain the National Court Interpreter Database (NCID), as required by the Court Interpreters Act. At the end of fiscal year 2003, there were 878 Spanish, 12 Haitian Creole, and eight Navajo federally-certified interpreters listed in the database. The NCID includes a current master list of 1,549 "otherwise qualified" court interpret-



ers of 95 languages, based on the local rosters of qualified court interpreters. The courts enter and update information on otherwise qualified interpreters.

### Telephone Interpreting

The Telephone Interpreting Program (TIP) provides remote interpretation where certified or otherwise qualified interpreters are not available locally. It is used for short proceedings, such as pretrial hearings, initial appearances, arraignments, motion hearings, and probation and pretrial services interviews.

In fiscal year 2003, TIP services were used in nearly 2,600 events during the year, a 64 percent increase from fiscal year 2002 when 1,581 events were covered by TIP services. The estimated cost savings for fiscal year 2003 was \$765,000, representing a 62 percent increase from fiscal year 2002, when estimated savings were \$472,000. The Central District of California provided 44 percent of the telephone interpreting services, followed by the Southern District of Florida and the District of New Mexico each providing 26 percent of the services, and the District of Columbia providing four percent of the services. The provider courts also furnish remote interpretation to divisional offices within the district. The number of user courts increased from 24 in fiscal year 2002 to 30 in fiscal year 2003. The total number of interpreted languages increased to 39 in fiscal year 2003, from 29 in fiscal year 2002, and Spanish was the language used in 87 percent of the telephone interpreting events in fiscal year 2003. Sixty-seven percent of the telephone interpreting was handled by staff interpreters and 33 percent by contract interpreters.

### Implementation of Certifying Officers

Over the past two years, the AO has been implementing the statutory authority allowing the Director of the Administrative Office to appoint additional certifying officers. In addition to district court clerks, who will remain the only disbursing officers, other court unit executives may be appointed certifying officers. To maintain appropriate chief judge oversight of operations, Judicial Conference policy calls for the Director to designate certifying officers in appellate, district, and bankruptcy courts with the concurrence of the respective chief judges for those courts.

With the appointment of additional certifying officers in each court unit, liability will be fixed appropriately, redundant efforts and duplicate paper will be eliminated, and increased efficiencies will become possible. Feedback received from the courts that already have implemented additional certifying officers confirms these qualitative benefits. Many of these courts report a significant savings in staff time devoted to copying and handling of supporting documentation that has been redirected toward more productive activities. A mandatory two-day program for court staff on appropriations law and certifying officer responsibilities is a key component of the implementation.

At the close of fiscal year 2003, half of the 94 districts had implemented the certifying officer legislation.

### Financial Systems

The Financial Accounting System for Tomorrow (FAS<sub>4</sub>T), the Judiciary's single in-

tegrated financial system that meets federal accounting standards, is now operational in 74 districts and seven circuits. FAS<sub>4</sub>T also serves as the financial core for other Judiciary systems that require or provide financial data such as the Integrated Library System, Jury Management System, and some existing civil/criminal accounting systems. FAS<sub>4</sub>T will be fully implemented and operating in all 94 circuits and districts in the summer of 2004.

Alpha testing of the Civil Criminal Accounting Module (CCAM) was completed in the Districts of Arizona and South Carolina during 2003, which represents significant progress in the implementation of CCAM. These districts converted their databases and will go live on CCAM in early fiscal year 2004. CCAM integrates civil and criminal accounting and cash receipting with FAS<sub>4</sub>T, and is scheduled to be fully operating in all 94 district courts in 2006.

The next steps for CCAM include the refinement of the implementation approach and tools, the independent testing of the software by the AO's Testing Services Branch, and the implementation of the software in a set of "beta" courts to validate the overall implementation process. Full implementation is scheduled for 2006.

### Tracking Case Trends

The Administrative Office continues to monitor and analyze the changing nature of civil and criminal case dispositions in the district courts. Staff are cooperating with academic researchers participating in a study of changing trial patterns undertaken by the Litigation Section of the American Bar Association. Statistical information and research provided by the Administrative Of-

The Electronic Bankruptcy Noticing program eliminates traditional paper notices and associated postage costs, while speeding public service.

The Case Management/ Electronic Case Files (CM/ECF) system has gained the federal courts recognition as leaders in electronic filing for the legal community.

CM/ECF is underway in:  
148 Courts  
90 Bankruptcy Courts  
60 Operational  
58 District Courts  
28 Operational

fice played a significant role in an ABA-sponsored conference in early fiscal year 2004, at which expert observers (including law professors and judges) discussed the reasons for, and implications of, the historical trend toward fewer trials in both federal and state courts.

Extensive work is underway on the Judiciary's monthly reports on trials and other court activity. Instructions and background information for judges and other court personnel involved in the preparation of this monthly report are under review in anticipation of automatic reporting via docket extraction, which will be available to courts implementing the CM/ECF system beginning in 2004.

**Slip Opinion Printing Contracts**

With reduced funding projected for the Judiciary for the current and future fiscal years, staff renegotiated the prices for the procurement of slip opinions. The modifications for the Third, Eleventh, and D.C. Circuits reflect a cost savings of 4.9 percent to 12 percent for optional contract years, and the savings for the Fourth Circuit are almost 20 percent over the life of the contract. Negotiations are still underway for cost savings for the Ninth Circuit. Additionally, although the Fifth Circuit has a sole source contract, it was possible to reduce the price significantly for certain items.

**Bankruptcy Administrator Program**

The Administrative Office provides program direction and oversight to the bankruptcy administrators in the six judicial dis-

tricts in Alabama and North Carolina, where this program is established by statute. Agency staff worked with the bankruptcy administrators to develop functional requirements for a new automated case management system for overseeing the administration of bankruptcy estates by private case trustees. A contract was awarded to produce an analysis of alternative designs to fulfill these functional requirements. Agency staff also held regular telephone conferences with the bankruptcy administrators, and conducted a briefing for trustees in conjunction with a national seminar for Chapter 13 trustees.

**Bankruptcy Noticing Center**

In fiscal year 2003 the Bankruptcy Noticing Center (BNC) produced and mailed approximately 120 million bankruptcy notices. That was nearly 20 percent more than the previous year, reflecting a surge in filings nationwide.

Operated under a contract managed by the AO, the BNC electronically retrieves data from participating courts' case management systems and automates the printing, addressing, batching, and mailing process. Using automation, the center 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 over \$30 million and has provided better service.

**Electronic Bankruptcy Noticing**

The Electronic Bankruptcy Noticing program provides an innovative approach to bankruptcy noticing, eliminating the pro-

duction 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 2003, overall program usage increased significantly over the previous year. Approximately 7 million notices were sent electronically, compared to 4.3 million transmitted in fiscal year 2002. 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.

**Federal Law Clerk Information System**

Through a database posted on the Judiciary's Internet web site, the Federal Law Clerk Information System (FLCIS) lists law clerk employment opportunities within the federal courts. With judicial participation in the program continuing to increase in 2003, the database is proving to be a useful resource, supporting more than 79,000 search inquiries through the end of fiscal year 2003. The Administrative Office provided training on the FLCIS at in-service training programs for judges' secretaries and judicial assistants, and continues to provide assistance and advice to judges on the benefits of the system.

**Emergency Preparedness and Court Security**

Emergency preparedness and court security received significant attention and resources in the past year, as the Judiciary

Administrative Office IT staff assisted in systems support and recovery for several courts following disasters in 2003.

Administrative Office staff collaborated with court staff to minimize the impact of the numerous worms and viruses that attacked computers world-wide in 2003.

Many courts have developed IT applications worth sharing with other courts. A new Judiciary intranet site makes that possible.

*“An instructional CD-ROM is being developed to help courts respond to natural and man-made disasters.”*

continued to develop its emergency response program established in November 2001. Active assistance to the courts focused not only on emergency preparedness, but also on crisis response, and occupant emergency and continuity of operations planning.

During 2003, the AO developed a staging guide for courts to test and validate their Continuity of Operation Plans (COOPs). Using the guide, a court tests and evaluates each step of its COOP, and then revises the COOP as necessary. The guide was tested in the Southern District of New York district and bankruptcy courts and in the Fifth Circuit Court of Appeals. The Judiciary Emergency Preparedness Office will involve court security committees, as well as chief judges and circuit executives, in determining the status of COOP development in all courts.

An instructional CD-ROM is being developed for release in early 2004 to help courts respond to natural and manmade disasters. The CD-ROM will provide links to the Emergency Preparedness home page on the J-Net, describe the key elements of an Occupant Emergency Plan and a COOP, profile the Judiciary's emergency response team and its services, highlight contingency planning best practices in the courts, explain the COOP template process, and include all vital emergency preparedness policy and instruction documents.

During the year, the Congressional Research Service released its report to Congress, “Emergency Preparedness and Continuity of Operations Planning in the Judiciary.” The report summarizes actions taken by the Administrative Office to establish COOPs and Occupant Emergency Plans since the terrorist attacks of September 11,

2001. The report raises policy and oversight questions that are being addressed as the courts begin COOP testing and training programs.

The AO coordinated constructive feedback to the U.S. Marshals Service on another measure designed to protect the federal court system, the judicial security inspector program. Judicial security inspectors have direct responsibility for coordinating security in each district and circuit. Congressional funding after September 11, 2001, led to development of the judicial security inspector program. During 2003, suggestions from circuit executives have resulted in stepped-up training and mentoring for the program by the Marshals Service.



*Several natural disasters during the year demanded that the Administrative Office maintain and repair information technology equipment and applications, to deliver court services to the public, uninterrupted. In May, the federal courthouse in Jackson, Tennessee, sustained significant damage from a tornado. Relocation of staff and services to alternate facilities was required.*

Also, throughout 2003, many Administrative Office efforts were aimed at increasing the Judiciary's computer security, as well as at planning disaster recovery and emergency preparedness for the courts' computer operations. Those measures are discussed in the Information Technology section of this report.

### **Court Operations Support Center (COSC)**

Recognizing that support to the federal courts must continue in the event of a civic emergency or natural disaster, Congress in early 2003 approved the *Court Operations Support Center and Continuity of Operations Housing Plan*. The plan addresses the



feasibility, benefits, and costs of establishing a facility outside of Washington, D.C. to relocate critical administrative and automation support functions (and staff) currently performed in the Thurgood Marshall Federal Judiciary Building.

An independent contractor worked with the Administrative Office to develop a COSC space requirements plan, which identifies space, furniture, and equipment requirements for offices, conference and training rooms, data center, emergency communications center, and a telework center.

The Administrative Office then worked with the General Services Administration to identify a site within 25 miles of Washington that best meets work requirements. A phased approach will be conducted to complete the data center and office space, with occupancy planned for 2004.

## Information Technology

During 2003, information technology efforts at the Administrative Office focused on strengthening the IT infrastructure, providing disaster recovery and emergency preparedness assistance to the courts, minimizing the impact of a variety of Internet-based “worms,” “viruses,” and other threats, leveraging court-based expertise and applications, and continuing programs to ensure the effective management and stewardship of IT resources.

## Disaster Recovery

Administrative Office staff assisted in systems support and recovery from several natural disasters during 2003. In the aftermath of Typhoon Pongsona in December 2002, staff collaborated with their colleagues in the Ninth Circuit to establish remote access via the circuit’s virtual private network (VPN) for courts on Guam and Saipan. When the Jackson, Tennessee, courthouse was damaged by a tornado in May, agency staff helped establish a connection to the communications network at a temporary office location for the bankruptcy court. In August, staff in Washing-

ton, D.C., and Texas helped courts in the Northeast recover from the regional power failure.

When federal government offices and local transportation systems in the national capital were closed for two days in September as a result of Tropical Storm Isabel, emergency staff were in the Thurgood Marshall Federal Judiciary Building, or working via remote access, to keep critical systems and network connections working throughout the storm and during the recovery operations afterwards. Several national systems were taken off-line to avoid any power-related corruption of critical databases.

## Emergency Communications

As part of the Judiciary’s emergency preparedness, Government Emergency Telecommunications Service (GETS) cards were distributed to the courts in May. These cards provide priority access over telephone networks in situations where the caller has a dial tone but receives a busy signal or recorded message in response to dialing a number. Globalstar satellite telephones for emergency communications capabilities were issued to circuit headquarters and remote court locations for use as needed during disaster recovery operations. These telephones combine a satellite connection and a cellular capability to provide two ways of placing a call during emergencies that result in the loss of normal telephone capabilities.

## Containing Viruses and Hackers

Administrative Office staff collaborated with court staff to minimize the impact on Judiciary systems of the numerous worms and viruses that attacked computers worldwide in 2003, including the MS Blaster, SoBig, and Welchia viruses. Once agency network intrusion detection staff identified the infected computers, the computer addresses were forwarded to the courts where local staff disabled and patched the systems. Through these efforts, the problems were contained before they could spread further.

Hackers continued to attempt to compromise computer systems of government agencies and private companies in 2003. Through the Judiciary Automated System Incident Response Capability, agency staff analyzed reports and notified courts of suspicious incidents including a “denial of service” attack in October, and an attack on a bulletin board system at the Fourth Circuit in March. The impacted servers were temporarily blocked, then scanned for vulnerabilities before being reconfigured and returned to service. Over the Fourth of July weekend, Internet hackers conducted a world-wide competition to see who could successfully attack the most systems. Hackers were not successful in attacking the Judiciary’s DCN and PacerNet networks. This “non-event” is significant and highlights the effectiveness of the Judiciary’s security safeguards.

## Personnel Systems Modernization Project

The Personnel Systems Modernization Project-Human Resources Management Information System (PSMP-HRMIS) phase that covers biweekly court employees was tested for implementation for the first full pay period in 2004. Previous phases of the project between 2000 - 2002 addressed the monthly pay population, Supreme Court justices, judges, annuitants, and survivors, as well as employees from the Administrative Office, Federal Judicial Center, and U.S. Sentencing Commission.

Once the entire Judiciary is fully operational with the new system, many more capabilities will be available to users over the next several years. Eventually, paper personnel and payroll transactions may be eliminated, and online employee self-service transactions may be added, such as benefits enrollments and processing of certain payroll transactions, including direct deposits. There are also new applications including training management delivery, and a streamlined recruitment process.

Once implementation is complete, the Judiciary will have in place the most modern personnel and payroll system available,

and one that rivals those in many other government agencies.

### **Support for Locally-Developed Applications**

Considerable expertise resides in court IT staffs and many courts have developed applications worth sharing with other courts. Last year, the Administrative Office began a focused effort to make these applications available Judiciary-wide, and to identify subject matter experts in the courts who can assist others. Collaborating with representatives of several courts, developers at the Administrative Office and at the Fifth Circuit Court of Appeals launched a web site in 2003 that promotes these applications and from which court staff can select and download the applications. The web site serves three purposes: to provide a central source of information about all local IT initiatives underway or in place; to allow court units to share project ideas and information, whether in the planning stage, under development or completed; and third, to provide a place for staff in the various units to share their skills and expertise with others throughout the courts.

### **Lotus Notes Upgrade**

Judiciary computers are being upgraded to Version 6 (ND6) of Lotus Notes, the Judiciary's national e-mail system. Earlier in the year, a separate applications domain was established for the courts, providing a secure e-mail environment, and a flexible environment for the development of local applications. It also allows applications developed in this environment to interface with the e-mail infrastructure.

### **New Server Platform**

Linux/Intel was selected as the Judiciary's new standard server platform in 2003, after the vendor supplying the operating system for the existing server announced that it would be discontinuing support. The current inventory of servers will continue to have vendor support for expected lifetimes, and the new servers will be implemented over the next several years.

### **IT Staffing Models Study**

Systems managers have responsibilities that vary by court type, geographic location, and other factors, such as levels of technical service required. A court-based working group is studying the information technology functional area using a two-phase approach; the first encompasses the district courts, bankruptcy courts, and probation/pretrial services offices, the second focuses on the circuit executive offices and appellate courts. Goals of the study, which will be completed in 2004, include identifying practices that can be incorporated in the Judiciary's standard operations, and defining various levels of services with staffing skills and needs.

### **IT Cost of Investment Study**

Agency staff and consultants evaluated all costs associated with the Judiciary's IT investments, including goods and services, personnel, and facilities. This information will help to predict future IT budget requirements to ensure IT resources are expended efficiently.

### **Security Study**

Agency staff also worked with the National Security Agency to assess the security of Judiciary networks and computers. The study, which included both technical and non-technical reviews of systems and procedures, was conducted to ensure that every precaution has been taken to protect Judiciary information resources and to maintain privacy for judicial work and court communication.

### **IT Infrastructure Formula Update**

The total cost of ownership-based formula used for the IT Infrastructure portion of the annual decentralized IT budget allotments for the courts is being updated. This single formula covers office automation equipment and the local-area network equipment components previously handled with separate allocations. The updated formula will be used in support of the fiscal year 2005 budget process.

### **Electronic Records Preservation**

Administrative Office technology staff have helped lead the federal government effort to define an open standard for archiving electronic documents in Portable Document Format (PDF/A). PDF/A has gained broad support as a tool in the long-term retention of electronic records. The standard will guide the long-term preservation of electronic court records before and after they are transferred to the National Archives. During 2003, agency staff addressed audiences at various international PDF/A conferences and meetings to gain support for the standard. Through early and active participation in this effort, the Judiciary aims to reduce costs associated with digital assets, as the need to migrate to a different standard in the future is eliminated.

### **Postage Meter Conversion Project**

A project to decentralize postage meter management was completed by the end of fiscal year 2003. The conversion allows court units to closely monitor and control their metered postage costs, which should lead to reduced total expenditures. The Administrative Office will be able to reduce the annual United States Postal Service "prepay" deposit for court meter refills by several million dollars, leaving the funds in the Administrative Office's treasury account until the courts must use the funds, rather than in the United States Postal Service account. Less staff time will be devoted to court unit meter transaction auditing, allowing the mail management team to increase their focus on overall program management and improvement.

### **Judiciary Procurement Program Procedures (JP3)**

The Procurement Management Division implemented the *Judiciary Procurement Program Procedures (JP3)*. The JP3 is an operations manual detailing procedures for all Judiciary procurement personnel. It was developed as a substitute for the execu-

tive branch's Federal Acquisition Regulations, which the Judiciary referred to as needed. For the first time under the JP3, all Judiciary contracting officers will administer the Judiciary's procurement, guided by a single reference. Policy guidance for procurement personnel is found in the *Guide to Judiciary Policies and Procedures, Volume I, Chapter VIII*.

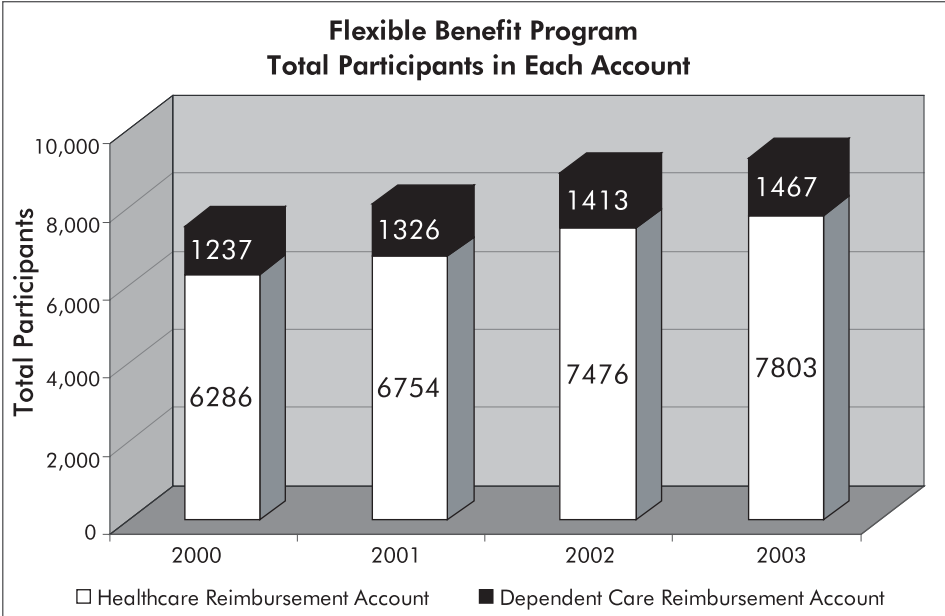
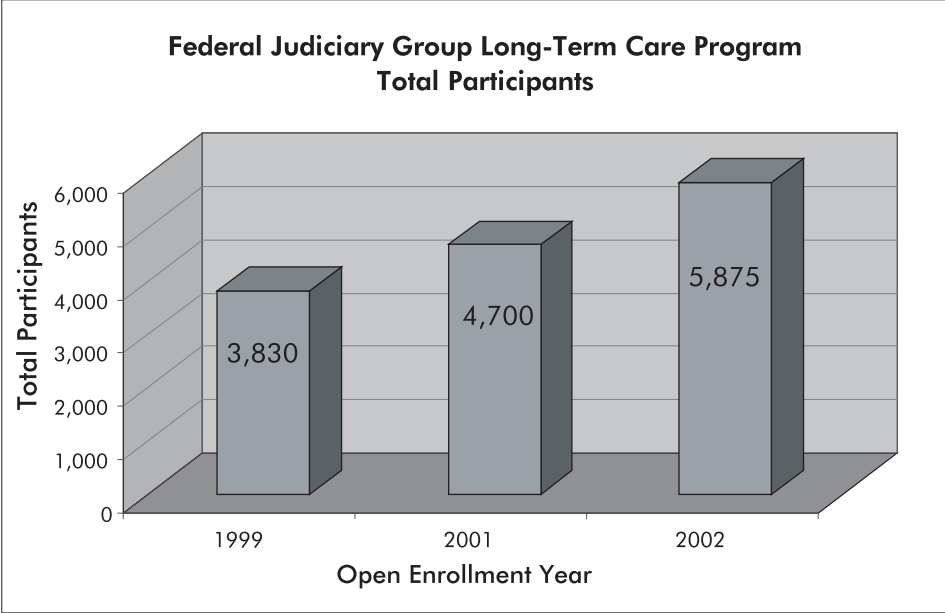
**Automation of National Judiciary-Wide Forms**

The Administrative Office continued work on developing automated versions of national forms for placement on the J-Net. Many forms are now available to the courts in a choice of WordPerfect and PDF formats. In addition, approximately 80 forms have been placed on the Judiciary's Internet site [www.uscourts.gov](http://www.uscourts.gov), making them available to attorneys and other non-Judiciary users who previously had to obtain them from their local district courts.

**Judiciary Benefits**

The Judiciary recognizes that competitive employee benefits help attract and retain a talented workforce to serve the courts. A strong commitment to offering benefits similar to, or better than, the private sector continues to enhance 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 (LTC) in fall 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 programs that comprise the Judiciary's flexible benefits program. Once completed in the first half of 2004, the study will help in planning to maintain a competitive benefits package for judges and Judiciary employees.



**Proposed Benefits Legislation**

The Administrative Office continues to seek legislation that would give the Director of the Administrative Office authority to establish and fund a program of supplemental benefits for judges and Judiciary employees and to use appropriated funds to pay for all or part of the supplemental benefits. Currently, any supplemental benefits program that the Judiciary implements must be on an "employee-pay-all" basis; however, if the Judiciary is successful in securing this legislation, the Director could establish

benefits plans, which would grant judges and Judiciary employees more flexibility in their benefits choices.

The Judiciary requested the inclusion of such authorizing language in its appropriations bill for fiscal year 2003. There was support for this among several key members of Congress, including Representative Frank Wolf (R-VA), who chairs the House Appropriations Subcommittee. However, the authority was not included in the Omnibus Appropriations Bill because of overall budget constraints.

On March 20, 2003, the House Judiciary Committee's Subcommittee on Courts, the Internet, and Intellectual Property, chaired by Representative Lamar Smith (R-TX), marked up the Federal Courts Improvement Act of 2003 (H.R. 1302). The bill is virtually identical to the bill that was passed by the House, but not the Senate, last year. It includes a provision that would grant the Director the authority to establish and fund supplemental benefits. If this authority is granted and sufficient funds are appropriated, the Administrative Office first plans to implement a dental program for the Judiciary. A dental benefit was identified as a top priority by judges and court staff in a 1998 Judiciary-wide survey conducted by the consulting firm Towers-Perrin.

### **Flexible Benefit Program Covers New Reimbursements**

The Flexible Benefit Program implemented in 2000 allows employees to set aside salary on a pre-tax basis in special accounts that can be used to fund certain health care and dependent care expenses.

On September 3, 2003, the Internal Revenue Service (IRS) ruled that purchases of over-the-counter drugs are eligible for reimbursement from health care accounts. (The Director determined that this benefit should be effective retroactive to January 1, 2003, as allowed by the IRS ruling.)

Since the Flexible Benefit Program was introduced, judges and court employees have saved over \$96 million. In 2003, there were 9,270 enrollments—nearly 30 percent of the workforce—in the reimbursement accounts, a 4.3 percent increase over 2002. Including tax savings from participation in

the health benefits premium plan, judges and Judiciary employees will increase their take-home pay by a total of nearly \$29.8 million (tax savings) in 2003. On average, judges who participate in all three programs will increase their take-home pay by \$2,551, and Judiciary employees will increase theirs by \$2,212.

### **Long-Term Care Insurance Program**

In March 2003, CNA, the insurer for the Judiciary's long-term care insurance program, agreed to extend its original five-year contractual rate guarantee by an additional five years, and to freeze the premium rates for judges and Judiciary employees through December 2009. Such rate guarantees are uncommon in the long-term care insurance business, but CNA took this action in recognition of the program's strength following the third, highly successful open enrollment period held last year.

The total number of judges, Judiciary employees, and family members enrolled in the program is about 6,000. The Judiciary's 20 percent participation rate is well above the average participation rate (5 percent) for public employees in similar programs.

### **Workforce Development**

In fiscal year 2003, the Administrative Office funded administrative and operational training programs aimed at enhancing key core competencies for a knowledgeable and effective workforce. Program managers responsible for the day-to-day oversight of court operations develop and conduct timely courses using varied delivery models,

including distance learning, traditional instructor-led courses, satellite broadcasts, web-based training, videotapes, and customized CD-ROMs. Programs that mix delivery mediums also are being tested.

The use of distance learning continued to expand during the year, with the Federal Judicial Television Network (FJTN) serving as an integral training medium for this program. Training through the FJTN has reduced the need for travel and for time away from work, and the option for re-broadcasts has expanded opportunities at greater convenience to judges and staff. FJTN programs address procurement and facilities administration, court administration, court management, probation and pretrial services issues, employee benefits, automation and information technology, and federal court orientations, among other topics.

Since inception of the FJTN in 1998, more than 10,221 sites have registered for the Administrative Office's live programs broadcasts. This year, 20 live programs were produced and broadcast to the Judiciary audience. The FJTN, now supported by approximately 325 satellite downlinks, is one of the federal government's largest broadcasting networks.

Computer-based and online learning opportunities also contributed to the expansion of the AO's increasingly popular and cost-effective distance learning program. A variety of self-paced training programs were offered, using customized CD-ROMs and the web.

The AO offered via the J-Net, "Managing the Court Budget," a 10-hour, self-teaching, self-assessment training program for court budget staff. New financial administrators' training was presented in August as

Administrative Office technology staff have helped lead the federal government effort to define an open standard for archiving electronic documents in Portable Document Format (PDF/A).

The Administrative Office implemented an operations manual detailing procedures for all Judiciary procurement personnel.

The Flexible Benefit Program allows employees to set aside salary on a pre-tax basis in special accounts to fund certain health care and dependent care expenses.



an introduction to the required recording, accounting, and internal and external reporting. The class also provided an overview of ethics and appropriations law.

Traditional instructor-led training programs continued to be popular with court users, who appreciated broad opportunities to interact with colleagues and to obtain intense practical training on important administrative and operational systems. This year, 50 instructor-led programs were developed and conducted in partnership with subject-matter experts from Administrative Office program offices, court advisory groups, and court staff.

The Administrative Office developed a growing number of blended learning programs, based on feedback from classroom

participants and online discussion groups. Instructor-led courses were augmented with videotapes, web-based training, and training manuals to visually reinforce the classroom-based instruction. For example, “The Officer Safety Course,” was developed to train probation and pretrial officers in defensive tactics, officer safety, and firearms training, using videotapes and training manuals to reinforce classroom instruction.

Judicial assistants and judicial secretaries helped the AO develop “Jumpstart Workshop for Judicial Assistants and Judicial Secretaries,” an overview of Judiciary operations provided to 300 new judicial assistants and judicial secretaries. Participants received the CD-ROM, “Judicial Assistants and Judicial Secretaries: A Guide for Work-

ing in Chambers,” as a permanent desktop resource.

A two-day training program for circuit librarians and their acquisitions staff focused on the development of annual financial plans for the spending of lawbook funds, and provided a forum for the librarians to share their tips and techniques for managing spending. This training was conducted as part of the implementation plan for the 2001 *Lawbooks and Libraries Study Final Report*, which mandated training for librarians to aid their stewardship of the annual lawbooks budget.

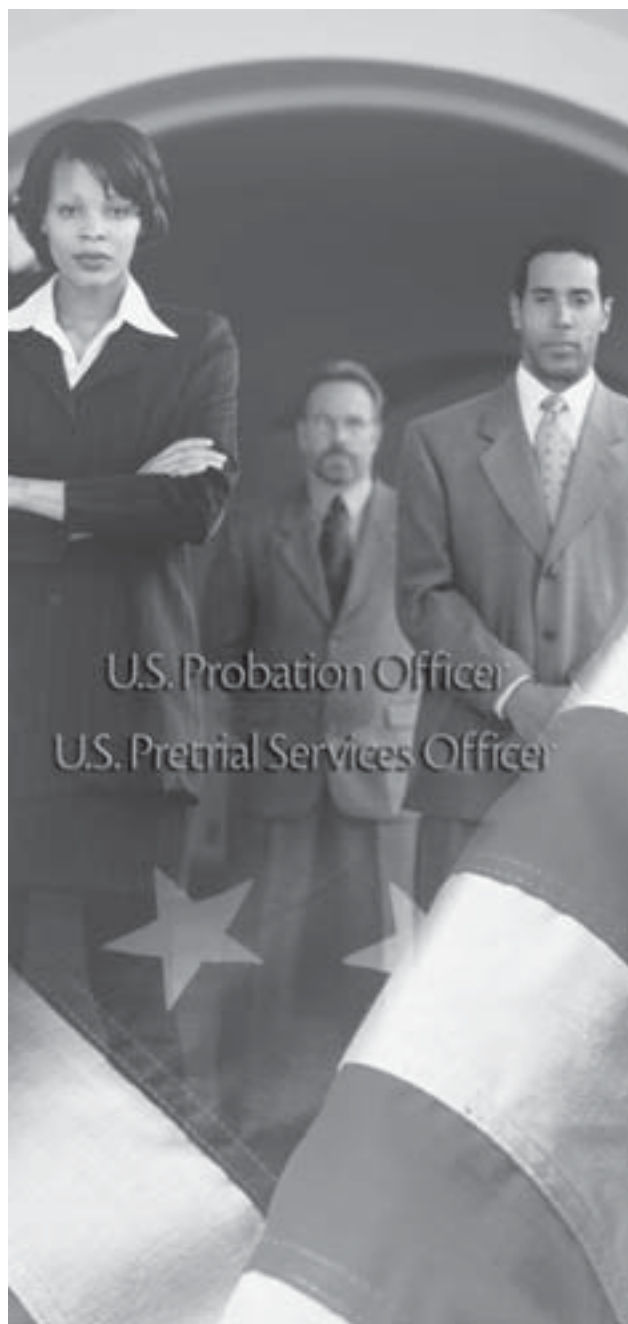
Forty-five librarians also participated in an intense three-day training program designed to teach promotion and outreach skills relevant to law libraries, also recom-



*Varied methods are used to deliver training that keeps court employees current on technological advances and management practices. Distance learning, satellite broadcasts, web-based training, videotapes, customized CD-ROMs, and traditional instructor-led courses are included in workforce development programming.*

### National Firearms Inventory System

This system provides a secure online inventory of all firearms the Judiciary owns, and allows court firearms instructors to enter and track the status and inspection schedules for all firearms. The Office of Probation and Pretrial Services uses the system to monitor, and prepare reports on, the use of firearms.




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*To support efforts in recruiting federal probation and pretrial services officers throughout the country, the Administrative Office updated the text and appearance of its brochure that is distributed annually to thousands of potential officers.*

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mended by the 2001 *Lawbooks and Libraries Study Final Report*. The program provided a wealth of information on promotional tools and techniques specifically for libraries and information professionals, as well as information from perspectives outside libraries.

### Probation and Pretrial Services

#### Revision of National Policies

The Judicial Conference approved distribution of the revised Monograph 109, *Supervision of Federal Offenders*, in March 2003 and the revised Monograph 111, *Supervision of Federal Defendants*, in September 2003. The approved monographs reflect a three-year effort by a working group charged with examining the supervision function of probation and pretrial services officers and recommending improvements.

The revised policies reflect recent changes in statutes, case law, and the population under supervision, and incorporate evolving knowledge about program effectiveness. The monographs clearly lay out the principles of good supervision, define the desired outcomes of supervision, and define the role of the officers as community corrections professionals whose job it is to make a difference in the lives of people under their supervision, and provide an important service to the court and the public.

Members of the working group included chiefs, deputy chiefs, and supervising officers from districts throughout the country. As the policies were developed, several working group members pilot-tested them in their own districts. A staff member from the Federal Judicial Center participated in all meetings and teleconferences in order to plan and quickly implement training. Drafts were posted on the J-Net for comments from probation and pretrial services offices nationwide. The group also obtained input from the Bureau of Prisons, Sentencing Commission, and Parole Commission.

To help implement the new policies, AO staff participated in an FJTN broadcast

and in the Federal Judicial Center’s circuit-wide supervisor training sessions held throughout the summer and fall of 2003. As a follow-up to that training, the Administrative Office held the first in a series of meetings for staff designated as their office’s “supervision point-of-contact” to share ideas and discuss issues about implementing the monographs in their districts.

In addition to changes in policies regarding supervision, there were changes to investigation policies as well. Enactment of the PROTECT Act, for example, necessitated changes to the Judgment and Commitment Order, including the Statement of Reasons, to capture data needed by the Sentencing Commission to address the requirements of the law. Also, after approval by the Judicial Conference in 2003, technical changes were sent to the courts concerning presentence investigations conducted by probation officers.

### Officer Safety and Firearms

The AO continued to focus on improving the safety of probation and pretrial services officers in the community. The AO completed the initial training of instructors from all districts in the officer safety program approved by the Judicial Conference last year. The AO issued an “Officer Safety Handbook” to the courts; a part of the integrated safety training program that reinforces training and serves as a reference tool.

The firearms program continues with all officers now transitioned to the semi-automatic weapon. The AO developed a web-based survey instrument to facilitate collection of data on firearms inventory, and the use of protective vests by officers.

### Study of the Probation and Pretrial Services System

To help ensure the future quality and success of the probation and pretrial service system, the Administrative Office undertook a strategic assessment of the system and sought the help of an independent consultant to conduct a study and make recommendations. The consultant completed the first phase of the study, which included gathering information through interviews with key stakeholders in all three branches of government and surveying district judges, magistrate judges, and chief probation and pretrial services officers. The consultant also conducted six on-site visits during which probation and pretrial services staff from 20 districts participated in focus groups.

In 2003, with the approval of the Criminal Law Committee, the Administrative Office modified the original plan for a second phase, which called for a series of roundtable discussions. Instead, the consultant will use the wealth of information already gathered to prepare a summary report. The report will outline where the system stands today and present general recommendations for addressing the issues identified.

### Probation and Pretrial Services Automated Systems

The Administrative Office is continuing to develop and implement the Probation and Pretrial Services Automated Case Tracking System-Electronic Case Management (PACTS-ECM). PACTS-ECM collects pertinent case-related information to produce statistical and workload reports, and provides for more efficient collection, manipulation, and retrieval of vital case informa-

tion. The system boosts probation and pretrial services officers’ efficiency as they conduct investigations for the court and supervise defendants and offenders.

By the end of fiscal year 2003, a total of 59 districts had completed their implementation of PACTS-ECM, with the help of a mentoring program established by the Administrative Office. Districts already experienced with PACTS-ECM guide and assist districts new to PACTS-ECM. The Administrative Office also worked with court staff to develop a new supervision module to follow the release of the revised monographs on supervision. This module will be released during 2004.

Expanding PACTS-ECM capabilities further, the Community Corrections Technology Project was launched to provide an interface between PACTS-ECM and personal digital assistants (PDAs). The goal is to provide officers with the means to access all the information they have at their desktops while they are in the field. A pilot project put PDAs to test in three districts. The success of that project compelled the Administrative Office to expand the use of PDAs throughout the probation and pretrial services system. Full implementation of PDAs has started in 10 districts, and it is anticipated that PDAs will be implemented in all 94 districts by the end of 2004.

### National On-Line Probation and Pretrial Services Directory

The National On-Line Probation and Pretrial Services Directory (NOD) is a searchable online source of information about each probation/pretrial services office. It includes a list of officers, phone numbers, counties served, and special in-

The Administrative Office funded training programs aimed at enhancing key core competencies for a knowledgeable and effective workforce.

The Judicial Conference approved the revised supervision monographs for use by probation and pretrial services officers.

By the end of 2003, 59 districts had implemented the Probation and Pretrial Services Automated Case Tracking System-Electronic Case Management (PACTS-ECM).



structions. The NOD comes in two versions. Probation/pretrial offices use the intranet version and law enforcement organizations such as the Federal Bureau of Investigation and the Bureau of Prisons use the Internet version.

## Defender Services Program

In fiscal year 2003, the first Federal Public Defender was appointed in the Northern District of West Virginia, and the Federal Public Defender Organization serving the Districts of Massachusetts and New Hampshire established an office in the District of Rhode Island. This brings the total number of federal defender organizations to 73 nationwide, serving 83 judicial districts.

The non-profit Vera Institute of Justice completed a report for the Administrative Office, “Good Practices for Federal Panel Attorney Programs—A Preliminary Study of Plans and Practices.” The report offers good practices for Criminal Justice Act (CJA) panel attorney selection, appointment, compensation, and training, based on a review of individual district plans and practices. It was distributed in the spring of 2003 to Chief Judges of the United States Courts of Appeals and District Courts, federal public/community defenders, and CJA panel attorney district representatives, and was posted on web sites accessible to each group.

## Communication and Public Outreach

Through wide-ranging communications efforts, the Administrative Office responds to information requests from the media and federal court employees. In 2003, regular contact with the media, and press releases on important Judiciary initiatives and data, often helped shape the courts’ message to the public. Staff video producers captured significant testimony by judges and others before Congress, and filmed emergency planning preparations to keep court managers and employees across the country informed about security issues.



*The Administrative Office produces an array of news and information publications to inform judges, court staff, and the public about federal court issues and initiatives.*

Timely information was provided to court staff through the monthly *Federal Court Management Report* newsletter, in tandem with the J-Net intranet web site. *The Third Branch*, another AO monthly newsletter, communicated to courts and the public news about the work of the Judicial Conference, and legislative developments that impact courts.

The public web site, [www.uscourts.gov](http://www.uscourts.gov), made available information about the federal courts to the public, including statistical reports, federal rules of practice and procedure, basic educational materials, and news from the Judiciary updated weekly.

Redesigning the J-Net, the Judiciary’s intranet site, was accomplished during the year, after an extensive site usability review. Feedback from more than 130 court staff, judges, and AO employees led to adoption of a user-centered model for the J-Net redesign. The J-Net now has a cleaner design with consistent navigation that has drawn positive feedback.

Also in 2003, the Administrative Office completed the national outreach objectives set in its first, five-year plan. More than 600

judges have hosted the Open Doors to Federal Courts interactive court simulation held in every circuit and at every level of the system since the program began. More than 150 volunteer courthouse coordinators in as many courts have participated in the annual program, which uses live-action court cases to engage more than 75,000 high school students.

In its public outreach role, the Administrative Office again developed events and resources with input from academics at regional and national conferences that expose more than 6,000 teachers to the federal courts’ educational program. The courts have formed a coalition with the major national civic education organizations that has called for a return of civics to a higher educational priority in schools and communities. In addition, the Judicial Branch Committee has formed a Subcommittee on Civic Education that endorses the work of the Administrative Office’s outreach function and the work of the courts in educating the public about the Judiciary. ■



# In Profile

## *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, and its Executive Committee. In addition, the Conference's Committee on the Administrative Office exercises general oversight of the agency's operations.

### **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 manuals and a variety of other publications.



*The Administrative Office is located in the Thurgood Marshall Federal Judiciary Building, on Capitol Hill.*

- 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

## Director

*Leonidas Ralph Mecham*

Serves as the chief executive of the Administrative Office, Secretary to the Judicial Conference, and ex officio member of the Executive Committee of the Judicial Conference and a 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, and tactical planning and operational matters; 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 files of the Judicial Conference; and

responds to judges and other court personnel regarding Conference activities.

## 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 publications efforts for the Administrative Office.

## Court Administration and Defender Services

*Noel J. Augustyn, Assistant Director*

Provides support to the courts for federal defenders, 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.

## 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.

## 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 statistics, personnel, payroll, health and retirement benefits, workforce development, and 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 staff in obtaining support and services from other components of the Administrative Office.

## 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. ■