

**STATE OF WISCONSIN
SUPREME COURT
P.O. BOX 1688
MADISON, WISCONSIN
53701-1688**

CHAMBERS OF
CHIEF JUSTICE SHIRLEY S. ABRAHAMSON

STATE CAPITOL, 16 EAST
MADISON, WI 53702
(608) 266-1885
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To: Clerk of the Wisconsin Supreme Court

From: Shirley S. Abrahamson, Chief Justice, Wisconsin Supreme Court

Re: Rules Petition 12-07: Supreme Court Finance Committee

Date: August 3, 2012

I am filing this memorandum pursuant to the Supreme Court instructions for filing comments to pending rules petitions.

Justice Patience D. Roggensack has filed Rules Petition 12-07 as an individual, not on behalf of the Court and not as a participant in a group of judges (whom I shall call the exploratory judge group) that has met with Director of State Courts John Voelker and court staff to develop the concept of a Finance Committee.

Unfortunately, Rules Petition 12-07 and the supporting memorandum do not reflect the proposal of the exploratory judge group or the Director of State Courts or the discussions of the chief judges and district court administrators.

My goal here is to correct misunderstandings that may be created by the petition and to build a framework that will help us as we engage in the process of assessing the need for, and potential role of, a proposed new committee.

We must not permit confusion or any misstatement or omission of facts to derail a potentially worthy idea which I have supported. A Finance Committee with a defined mission that fits with the other parts of the judicial system can play an important role. On the other hand, creating a Finance Committee simply for the sake of adding another layer of bureaucracy to our budget process is inefficient, ineffective, and wasteful, and should be avoided.

I write to give a more complete history of and context for the concept of a Supreme Court Finance Committee, so that the public and Supreme Court can more easily, effectively, and efficiently discuss this petition.

First, the process to develop the court system's biennial budget request is a deliberate, deliberative, long-term process that begins in mid-March of each even-numbered year and culminates with the submission of the request as approved by the Supreme Court to the Governor

and Legislature on October 1 of that year. The process has been refined over the years to include more and more people and ideas. The process is described in the Supreme Court Rules (chapter 70) and is designed to allow the judiciary and a broad section of court employees to submit budget suggestions for consideration, provides for multiple review steps, and allows sufficient time for the development of solid, well-researched proposals. See Document 08 attached. The general process has been in place since at least the 1990s.

Second, the idea of a Finance Committee is of recent origin and is best traced to January 18, 2011, when Justices Prosser, Roggensack, Ziegler, and Gableman proposed a revision to Supreme Court Internal Operating Procedures I.A. to create a Finance Committee. This proposal was as follows:

Amendment to IOP I.

A. Administrative. 1. Director of State Courts. The director of state courts, who is appointed by and serves at the pleasure of the court, administers the nonjudicial business of the court system at the direction of the court and the chief justice, within the scope of authority for the chief justice established by the court.¹ The authority and responsibilities of the director are set forth in the Supreme Court Rules (SCRs), chapter 70. Those responsibilities include development of the biennial budget for the court system. See SCR 70.01 and 70.03. In development of that budget, the director of state courts shall work with the supreme court finance committee. The supreme court finance committee shall be comprised of the chief justice, two additional justices elected by the court, the chief judge of the court of appeals and the chief of the chief judges of the circuit courts. The director of state courts, the court's chief budget and policy officer and the deputy director of state courts for management services shall staff the supreme court finance committee. All anticipated expenditures for staff, programs and periodic events shall be presented to the supreme court finance committee, and when approved by the supreme court, become part of the court's biennial budget. Unanticipated expenditures of court funds not approved in the court's budget, regardless of the source of the court funds expended, shall be: (1) subject to the usual expense reporting and reimbursement procedure for expenses incurred in the normal course of employment, e.g. travel expenses; (2) subject to prior approval of the court when the aggregate of those expenses will exceed \$2,000.

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¹ "The chief justice of the supreme court shall be the administrative head of the judicial system and shall exercise this administrative authority pursuant to procedures adopted by the supreme court." Wisconsin Constitution Art. VII, Section 4, par (3).

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Here is the chronology of this proposal:

- January 18, 2011 – The proposal was submitted to the Supreme Court.
- February 4, 2011 – The proposal was discussed at Supreme Court Open Administrative Conference. At this conference, the following actions were taken:
 1. The Supreme Court unanimously rejected the draft proposal as “not drafted appropriately,” as one of the proponents of the proposal stated. During the discussion, state constitutional law issues were raised, unworkable features of the proposal were explored, inaccurate terminology was challenged, and inadequate understanding of the biennial budget and operating budgets raised concerns. Furthermore, the proposal did not fully account for the role of PPAC – the Supreme Court’s Planning and Policy Advisory Committee – and other entities that participate in the budget process.
 2. The Supreme Court unanimously adopted a motion (proposed and seconded by two justices who had offered the original proposal) “to adopt a finance committee in concept. . . . to adopt the concept of having a separate supreme court finance committee. . . . the duties of which are not defined” in this “concept proposal.” Although the membership and duties of a finance committee were not defined, members of the court appeared to want more fiscal information and wanted to assist the Director’s Office in fiscal matters. The Supreme Court’s full discussion on February 4, 2011, is available on the Wisconsin Eye website at www.wiseye.org.
- June 2, 2011 – Director of State Courts John Voelker sent a memo to a group of judges (Chief Justice Abrahamson, Justices Roggensack and Gableman, and Judges Richard Brown and William Foust), who, for the sake of clarity and brevity, I shall call “the exploratory judge group.” Although this exploratory judge group is sometimes referred to in working memoranda and material as the “Finance Committee,” we all knew that no Finance Committee existed; none had ever been created by the Supreme Court. Rather, the Supreme Court had merely adopted a finance committee in concept. This exploratory judge group (the composition of which might be the basis of a finance committee to be created) was to assist the Director in developing the “concept of a finance committee.” The Supreme Court would then consider the proposal for adoption. See Document 01.
- August 1, 2011 – Director Voelker sent a memo to the exploratory judge group explaining the biennial and operational budget processes and identifying where a finance committee could play a role. Under the proposal, the biennial budget process would be modified by including a finance committee in all PPAC and PPAC Planning Subcommittee budget development meetings. See Document 02.

- October 10, 2011 – The exploratory judge group met to discuss the Director’s proposal and suggested two slight modifications: (1) adding a step to send the Finance Committee copies of all submitted budget ideas; and (2) giving a 10-day rather than a 7-day review period relating to operational budgets. The proposal for the Finance Committee to meet in conjunction with PPAC and its Planning Committee was not changed by the exploratory judge group. The group’s full discussion on October 10, 2011 is available on the Wisconsin Eye website at www.wiseye.org. See Document 03 for the agenda of the meeting.
- December 23, 2011 – The Director submitted to the Supreme Court his proposal on the role of the Supreme Court Finance Committee. The Court has not taken any action on the proposal. See Document 04 for the submission.
- January 19, 2012 – The Chief Judges and the District Court Administrators met. The concept of a Supreme Court Finance Committee was discussed as Item 11. It was suggested that the Chief Judges consider how they might want to choose a delegate to the Finance Committee to be formed. See Document 05 for the minutes of the meeting on this topic.
- January 19, 2012 – The Chief Judges, the District Court Administrators, and the Justices of the Supreme Court met. Item 5 of the minutes of the meeting reflects the discussion of the concept of the Finance Committee and the selection of a chief judge to participate in any Finance Committee that might be formed. See Document 06 for the minutes of the meeting on this topic.
- March 9, 2012 – The Chief Judges and District Court Administrators met. Item 9 of the minutes reflects the discussion of the appointment of a Chief Judge delegate to the Finance Committee to be formed. The Chief Judges concluded that the Chief Judge position on the potential Supreme Court Finance Committee should be appointed by the Committee of the Chief Judges for a two-year period commencing in April of an even-numbered year, and that at the time of appointment the appointee must be a member of the Committee of Chief Judges. Furthermore, the chief judges agreed Chief Judge Foust would remain on the exploratory judge group until the Supreme Court creates the Finance Committee. See Document 07 for the minutes of the meeting on this topic.
- The Director and I proceeded with the 2012 budget process as if the Director’s proposal as submitted to the Supreme Court had been adopted, with the exploratory judge group participating in the process.
- May 25, 2012 – The PPAC Planning Subcommittee met to discuss the budget proposals that were moving forward, as determined by the Director and me per the budget development procedures, as well as the budget ideas that were not moving forward.

While all members of the exploratory judge group were invited to the meeting, only Justice Roggensack attended. Justice Roggensack asked that the “Supreme Court Finance Committee” (that is, the exploratory judge group) receive copies of the proposals that were not moving forward, and this information was sent to the exploratory judge group and the full Court on May 29, 2012.

- July 13, 2012 – The PPAC Planning Subcommittee met again to discuss and make recommendations on the budget proposals that had been fully developed. Some of the proposals included alternatives, as requested at the May 25 Planning Subcommittee meeting. While all members of the exploratory judge group were invited to the meeting, Judge Foust was the sole member of the group at that meeting.
- Budget staff is now working on making the changes to the budget proposals as recommended by the Planning Subcommittee. The next step in the budget development process is for PPAC, its Planning Subcommittee, and the exploratory judge group to meet on August 30, 2012 to make recommendations to the Supreme Court on court system biennial budget proposals. All members of the exploratory judge group have been notified of, and invited to, the August 30 meeting.
- The Supreme Court will meet in early September to make the final determination of which proposals to include in the court system’s budget requests. After Supreme Court approval, the Budget Officer will have two to three weeks to put together all the technical budget documents to submit the court system’s request to the Governor and Legislature by October 1, 2012.

* * * *

These comments are intended to provide background for analysis of Rules Petition 12-07. I shall at an appropriate time make more detailed comments about the petition and consider carefully the comments of others.

**Documents Showing Chronological History of
Proposed Supreme Court Finance Committee**

Document Number	Date	Description
(01)	06/02/2011	Memo from John Voelker to Exploratory Judges Group on status of finance committee proposal (less attachments)
(02)	08/01/2011	Memo from John Voelker to Exploratory Judges Group on the proposed role of the Supreme Court Finance Committee (less attachments)
(03)	10/10/2011	Agenda for the Meeting of Exploratory Judges Group to examine possible activities for a Finance Committee
(04)	12/23/2011	Memo from John Voelker to the Supreme Court Justices outlining for the Supreme Court's consideration the proposed role of a Supreme Court Finance Committee as discussed and agreed to by the Exploratory Judges Group (less attachments)
(05)	01/19/2012	Meeting minutes of the Committee of Chief Judges and District Court Administrators – item 11 – discussion of concept of Supreme Court Finance Committee and chief judge's membership
(06)	01/19/2012	Meeting minutes of the Joint Meeting of the Supreme Court and Chief Judges/District Court Administrators – item 5 – discussion on the role of the finance committee in concept which will go to the Supreme Court for consideration
(07)	03/09/2012	Meeting minutes of the Chief Judges and District Court Administrators – item 9 – discussion of the appointment of the chief judge delegate to proposed Supreme Court Finance Committee; Chief Judge Foust to remain on the exploratory judge committee until the Supreme Court creates the finance committee
(08)	-	Supreme Court Rules relating to administration of budget

DOCUMENT 01

DATE: June 2, 2011
TO: Finance Committee Members
FROM: A. John Voelker
SUBJECT: Finance Committee Proposal Status

Justice Roggensack recently inquired on the status of a concept paper for the operation of a Supreme Court Finance Committee. I anticipated having a completed document at this point, but our efforts on the biennial budget and a delay in receiving materials from other states that have slowed our progress. However, I want to provide you with a status report of this proposal.

First, including a Finance Committee into the biennial budget process should be relatively straight forward. Attachment A illustrates the current biennial budget process with highlighted text on where the Finance Committee could potentially be incorporated.

Second, at this point we are attempting to identify how to best incorporate the Finance Committee into the review of our 35 operational budgets (Attachment B). We are currently reviewing a model used in Utah. Attachment C is a document outlining Utah's budget process. I think the Utah model may be useful, but we trying to figure out how we can adapt the approach to our operating budgets. I am also anticipating information from the state court administrator in Maine. In talking with him, they have used a Finance Committee in the past and he thinks we might benefit from information he has. I have recently follow-up with him and he will be sending the information soon.

I anticipate as soon as the biennial budget process settles down for us, and I receive information from the Maine court administrator, we will put the finishing touches on an overall outline on the potential role of the Finance Committee both in the biennial and operational budget process.

Cc: Pam Radloff

DOCUMENT 02

DATE: August 1, 2011
TO: Finance Committee
FROM: A. John Voelker
SUBJECT: Proposed Role of Supreme Court Finance Committee

I have attached a memo from Pam Radloff describing the biennial and operational budget processes, as well as, identifying where a finance committee could play a role in these processes. In working through this with Pam and Deb Brescoll, we attempted to strike a balance between providing enough information without adding too many meetings or additional bureaucracy to the existing process.

The proposed process and the information provided are loosely based on a process used by the Judicial Council in the state of Utah. In addition, the process incorporates a review process procedure used by the Legislature's Joint Committee on Finance.

We would be happy to formally present the provided information when the finance committee meets to discuss its role. In the meantime, let me know if you have questions about the material provided.

Cc: Pam Radloff
Deb Brescoll

Memorandum

STATE OF WISCONSIN
MANAGEMENT SERVICES



DATE: August 1, 2011
TO: John Voelker
FROM: Pam Radloff
SUBJECT: Revised Court System's Budget Processes and Proposed Role of Supreme Court Finance Committee

As you requested, following are narratives explaining the development of the court system's biennial budget and operating budgets along with an explanation on how the proposed Supreme Court Finance Committee may be incorporated into these processes.

Development of Biennial Budget

Procedures for developing the court system's biennial budget request are guided by SCR 70.12 (see **Attachment A** for all Supreme Court Rules relating to the budget). As the timetable in **Table 1** shows, the court system's biennial budget development begins in the spring of even numbered years. Input is sought from the judiciary, circuit court and family court commissioners, department managers, district court administrators (DCAs), and clerks of circuit court, asking for information on court system needs and suggestions on initiatives to address court system priorities.

The Director asks for budget ideas and initiatives that address critical court system priorities. Those interested in submitting a budget idea are asked to send a short (paragraph or two) summary of the request to the Budget and Policy Officer (Deborah Brescoll). The Director also states that comments on budget priority needs can be forwarded in lieu of, or in addition to, submitting a specific proposal. There has been an increasing number of responses since the process was opened up to include justices and judges, circuit and family court commissioners, and clerks of circuit court. Prior to the 2007-09 biennial budget, only department managers and district court administrators were asked to submit budget proposals, and they were asked to submit more extensive requests.

The Chief Justice and Director review all budget ideas. They meet with the department managers and others who submitted ideas to discuss in more detail the ideas submitted to determine whether their idea should be:

- (1) Developed further as a biennial budget request;
- (2) Submitted for consideration as part of an operating budget;
- (3) Pursued through another mechanism (e.g., Grant opportunity? Another legislative process? Idea does not require a budget, etc.); or
- (4) Not pursued further.

Table 1 BIENNIAL BUDGET TIMETABLE	
Mid March	“Policies & Procedures” and “Budget Instructions” memos sent to Justices, Judges, Family and Circuit Court Commissioners, Clerks of Circuit Court, Department Heads and District Court Administrators per SCR 70.12
Early April	Brief (1–2 paragraph) proposals submitted to Budget Officer
Mid April	Chief Justice and Director of State Courts (DSC) meet with the Chief Judge of the Court of Appeals, department managers and others to discuss ideas/suggestions submitted to determine which items to move forward Requesters notified of which proposals to develop detailed budget proposals
Late May	Requesters submit detailed proposals to Budget Officer
Late May	PPAC Planning Subcommittee and [Supreme Court (SC) Finance Committee jointly] ¹ briefed on budget development and discuss which budget items are moving forward
June - August	Budget Officer works with DSC, Chief Judge of the Court of Appeals and department managers to refine approved issues and justifications DSC provides budget updates to the Committee of Chief Judges
Late June – August	Budget Officer, Deputy Director, Chief Justice and DSC review budget submissions
Late July	PPAC Planning Subcommittee and [SC Finance Committee jointly] ¹ briefed on biennial budget requests being developed
Spring – Summer	Budget Officer works with DOA/Fiscal Bureau to set foundation for budget requests, arrange site visits, provide background information on court system
1 st week of August	Final budget draft prepared for PPAC/Planning Subcommittee and [SC Finance Committee] ¹ review
2 nd week of August	PPAC/Planning Subcommittee/[SC Finance Committee] ¹ meet to: 1) review draft budget and discuss whether budget is consistent with strategic plan; and 2) advise the Supreme Court and DSC in the Court’s review of the budget per SCR 70.14(6)
August - September	Budget request submitted to Supreme Court with memo from Budget Officer [along with any additional comments from the SC Finance Committee]
Early September	Budget request reviewed and approved by Supreme Court
October 1	Technical budget document with issue papers sent to DOA and LFB
Early October	Budget Officer prepares information bulletin on the court budget request for distribution by the DSC to justices and judges, clerks of circuit court, department heads, district court administrators, and PPAC and PPAC Planning and Finance Committee members

¹ Proposed role of Supreme Court Finance Committee in biennial budget development

Once a determination is made on which ideas should move forward, all requesters are notified as to the status of their budget ideas/suggestions. Those requesters whose suggestions are moving forward are asked to develop initial budget requests. For those suggestions not moving forward, SCR 70.12(1)(c)5 provides that the Chief Judge of the Court of Appeals, the chief judges of judicial administrative districts, the Office of Lawyer Regulation and the Board of Bar Examiners may appeal to the Supreme Court a decision to not move forward with a proposal.

The budget and policy officer works with requesters to refine issues and justifications in the initial budget requests. The request provides both a narrative description of the proposal and a funding breakdown, if additional state funds are needed to implement the request. Some proposals may also require creation or modification of the state statutes.

The next step in the biennial budget development process involves PPAC because PPAC includes a broad representation of court system stakeholders (e.g., circuit court judges, a court of appeals judge, a municipal judge, representatives from the State Bar Board of Governors, the state public defenders, the district attorneys, clerks of circuit courts, the district court administrators, and the public). SCR 70.14(4) requires PPAC to be kept fully and timely informed by the Director of State Courts about all budgetary matters affecting the judiciary to allow it to participate in the budget process. Further, SCR 70.14(6) requires PPAC to appoint a subcommittee to confer with the Supreme Court and the Director of State Courts in the Court's review of the budget. PPAC established a planning subcommittee in 2001 to strengthen PPAC's planning functions and foster a participatory and inclusive decision-making process. The eight-member subcommittee includes four circuit court judges, one court of appeals judge, one circuit court commissioner, one clerk of circuit court, one district court administrator. This subcommittee serves as the budget subcommittee because of the integral nature of planning and budgeting.

The budget and policy officer meets with PPAC Planning Subcommittee at any meetings they hold in June or July in every even-numbered year to update the subcommittee on the budget development status and review any submitted issue papers.

Approved requests are presented to PPAC and its Planning Subcommittee at their joint meeting in August for their review and recommendations to the Supreme Court. Following PPAC/Planning Subcommittee review, the budget and policy officer prepares for the Supreme Court a budget summary memo, along with detailed issue papers on all program requests and a list of all initial requests/suggestions that did not move forward, for Court review and action at an administrative conference.

Once the Supreme Court has approved the budget requests, the budget and policy officer must convert approved budget requests into the on-line State Budget System. After the budget and policy officer has completed the technical documents, the judicial branch state funding budget requests are combined into one budget document forwarded to the Governor (State Budget Office) and Legislature (Legislative Fiscal Bureau) on October 1 of each even-numbered year.

Throughout this process, the Director of State Courts updates the Committee of Chief Judges of judicial administrative districts and the Chief Judge of the Court of Appeals on budget issues.

Development of Operating Budgets

As the timeline shows in **Table 2**, the development of the court system's 31 departmental operating budgets begins with an annual planning process (see **Attachment B** for a list of operating budgets). The Director of State Courts expects each department manager to develop an annual plan that sets forth departmental goals/objectives/major activities/budget needs for the upcoming fiscal year. Department managers are expected to use their annual plans to identify the departments' budgetary needs for achieving their stated goals/objectives/action steps.

The general approach to developing operating budgets is to use the previous year's expenditures as a starting point and then make updates based on known changes and estimates of increased or decreased costs to maintain current status. Any changes needed to reflect new initiatives to meet stated goals are also included. The budget and policy officer must wait until the biennial budget process is completed and funding levels for court appropriations have been authorized before beginning to work with department managers to formally establish annual operating budgets for each court and each court office. Annual operating budgets detail authorized budget levels for each court/office by specific cost categories (e.g., salaries, fringe benefits, travel, telecommunications, postage, etc.). The annual budgets provide specific expenditure limits for court managers to enable managers to incorporate their annual plans into their program operations without overspending.

The budget and policy officer's goal is to complete the operating budgets as early as possible in the fiscal year, after funding information is available. This typically means that operating budgets are not completed until after the expenditures for the previous fiscal year are finalized and appropriations for the fiscal year have been established (generally October). Since the biennial budget act that establishes appropriations for the next two fiscal years is typically not enacted by the start of the new biennium, operating budgets for even-numbered fiscal years may be even further delayed. After draft budgets are developed, the budget and policy officer meets with each department manager and the Chief Judge of the Court of Appeals to jointly review the drafts. Each year some changes are requested by some managers and most often these requests can be accommodated.

The Director of State Courts provides final review and approval of operating budgets. He also is provided monthly budget status reports.

After the operating budgets are established, as the fiscal year progresses, changes to some operating budgets are invariably needed due to a variety of factors: new programs/projects approved, updated information requiring re-estimate of certain costs, revised policies, etc. For example, FY 2011 budgets were modified to reflect the PeopleSoft project and to reflect the Court's decision in November to reduce furlough days from three to two.

The timelines for the development of three operating budgets – those for the Medical Mediation Panels (MMP), BBE and OLR – are different. The three programs are funded by assessments; for MMP, health care provider assessments and for OLR and the lawyer education part of BBE, attorney assessments paid as part of state bar dues. A preliminary

operating budget for MMP needs to be developed in January preceding the fiscal year in order for the Board of Governors for the Injured Patients and Families Compensation Fund to set the physician fees for the following year. Preliminary operating budgets for BBE and OLR need to be approved first by their respective boards and then by the Supreme Court in the Spring preceding the fiscal year in

Table 2 DEVELOPMENT OF ANNUAL PLANS AND OPERATING BUDGETS	
December	Budget and policy officer works with MMP to develop a preliminary operating budget for the upcoming fiscal year to be provided to the Board of Governors for the Injured Patients and Families Compensation Fund for setting health care provider assessments
January	Department managers develop annual plans that set forth departmental goals/objectives/activities/budget needs and submit to the DSC. [SC Finance Committee sent copy of MMP preliminary operating budget for review under 7-days passive review process prior to submission to the Board of Governors for the Injured Patients and Families Compensation Fund]¹
February	Budget and policy officer works with respective directors of BBE and OLR to develop their offices' preliminary operating budgets for setting attorney assessments for the upcoming state fiscal year. [SC Finance Committee sent copies of BBE and OLR draft operating budgets and State Bar assessments under a 7-day review process]¹
March	Supreme Court approves BBE and OLR operating budgets and State Bar assessments
June 30	Close of state fiscal year
July	All revenues and expenditures relating to previous fiscal year activity are coded to the previous fiscal year throughout the month of July to finalize the previous fiscal year's accounting records
July of odd-number years	Monitor the status of the biennial budget process. New fiscal year appropriations are not available until Governor signs the biennial budget into law. Delays in passing the biennial budget could correspondingly delay the development annual operating budgets
Late August	Accounting records for previous state fiscal year are officially closed. The fiscal officer certifies to the Department of Administration that the previous fiscal year's appropriations are closed. Final fiscal year expenditure figures are available for preparing annual operating budgets
September-October	Budget and policy officer works with department managers, district court administrators and the chief judge of the Court of Appeals to set fiscal year operating budgets (NOTE : timeframe could be delayed in odd-number years if enactment of biennial budget is delayed). Court system managers are expected to ensure that any budget resources approved in their annual plans are incorporated into their annual operating budget. Operating budgets are approved by the DSC before being finalized. [SC Finance Committee meets to review operating budget summaries and department annual plans (see Attachment C)]¹
Throughout remainder of fiscal year	Budget and policy officer monitors operating budgets and works with respective manager and DSC to modify as necessary [If significant

modifications are made to operating budgets or annual plans, SC Finance Committee will be sent copies of modifications for review via the 7-day review process] ¹
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time for the State Bar to set bar dues for the following year. The budget and policy officer works closely with the respective program managers in developing their preliminary budgets and calculating the required assessments to fund those budgets.

The preliminary budgets are set based on current law and organizational decisions made by the Supreme Court. Because these preliminary budgets are established for MMP, BBE and OLR before all information for the upcoming fiscal year is available, the budget and policy officer typically re-estimates these budgets in the Fall when the other departmental operating budgets are being developed and, if significant, modifies the operating budgets as appropriate. For example, for FY 2012 budget development for MMP, BBE and OLR, the 2011-13 biennial budget had not yet been introduced, legislation concerning fringe benefit changes had not been enacted, and the Supreme Court had not taken final action on certain personnel changes (e.g., need for furlough, equity adjustments, pay-for-performance adjustment, etc.)

The fiscal officer (Brian Lamprech), not the budget and policy officer, manages all grant/contract programs. Contracts with Milwaukee and Dane Counties to provide law library and legal resource services are awarded on a calendar year basis so corresponding operating budgets are established by the fiscal officer and law librarian on a calendar year basis. Likewise, the fiscal officer also manages any federal grant programs; those budgets and timelines are established based on each specific grant and its requirements.

Proposed Role of Supreme Court Finance Committee

The development of both the biennial budget and operating budgets are time sensitive. Therefore, to ensure the budget office can comply with established time deadlines, we recommend the following roles for the Supreme Court Finance Committee:

- (1) ***Biennial Budget Development.*** Invite the Supreme Court Finance Committee to meet regularly with the PPAC's Planning subcommittee when the subcommittee is briefed on the budget development by the budget and policy officer as shown by the highlighted text in **Table 1** above.
- (2) ***Operating Budget Development.*** Once the operating budgets are developed, convene a meeting of the Supreme Court Finance Committee for their review of departmental annual operating budgets and budget summaries.

If during the fiscal year a department's operating budget is adjusted more than 10 percent of the total of all of its operating budgets or \$10,000, whichever is greater, **OR** there is a significant deviation from the department's approved annual plan as determined by the Director of State Courts, the adjusted operating budget or adjusted annual plan will be re-submitted to the Committee for review using the 7-day review process.

We believe the above recommendations will allow the Supreme Court Finance Committee to play a role in the court system's budget processes at critical points.

Participating at these junctures will allow the Committee to voice concerns or ask questions and, in turn, will allow the budget office and respective program managers to be responsive to concerns or questions and still be able to be timely in meeting necessary deadlines.

Please let me know if you have any questions or need any additional information.

DOCUMENT 03

SUPREME COURT HEARING ROOM

AGENDA

Monday, October 10, 2011

10:00 a.m.

Finance Committee Meeting

I. There will be a meeting of the Finance Committee. The first scheduled meeting is 10 a.m., October 10 in the Supreme Court Hearing Room at the Capitol. The committee is assigned the task of examining possible activities for the Finance Committee. Members of the committee are listed below.

Members:

Chief Justice Shirley S. Abrahamson

Justice Patience Roggensack

Justice Michael Gableman

Judge Richard Brown

Judge William Foust

DOCUMENT 04

DATE: December 23, 2011
TO: Supreme Court Justices
FROM: John Voelker
SUBJECT: Proposed Role of Supreme Court Finance Committee

cc: Pam Radloff
Deb Brescoll

Upon the approval of the concept of a Supreme Court Finance Committee, the members of the Finance Committee met to identify its potential role in the development of the court system's biennial budget and operating budgets. This memo outlines the current budget process and the proposed process that was discussed by the Supreme Court Finance Committee for the Supreme Court's consideration.

Current Biennial Budget Development Process

Procedures for developing the court system's biennial budget request are guided by SCR 70.12 (see **Attachment A** for all Supreme Court Rules relating to the budget). As the timetable in **Table 1** shows, the court system's biennial budget development begins in the spring of even numbered years. Input is sought from the judiciary, circuit court and family court commissioners, department managers, district court administrators (DCAs), and clerks of circuit court, asking for information on court system needs and suggestions on initiatives to address court system priorities.

I send out a memo asking for budget ideas and initiatives that address critical court system priorities. Those interested in submitting a budget idea are asked to send a short (paragraph or two) summary of the request to the Budget and Policy Officer (Deborah Brescoll). The memo also states that comments on budget priority needs can be forwarded in lieu of, or in addition to, submitting a specific proposal. There has been an increasing number of responses since the process was opened up to include justices and judges, circuit and family court commissioners, and clerks of circuit court. Prior to the 2007-09 biennial budget, only department managers and district court administrators were asked to submit budget proposals, and they were asked to submit more extensive requests.

The Chief Justice and I review all budget ideas. We meet with the department managers and others who submitted ideas to discuss in more detail the ideas submitted to determine whether their idea should be:

- (1) Developed further as a biennial budget request;
- (2) Submitted for consideration as part of an operating budget;
- (3) Pursued through another mechanism (e.g., Grant opportunity? Another legislative process? Idea does not require a budget, etc.); or
- (4) Not pursued further.

**Table 1
CURRENT BIENNIAL BUDGET TIMETABLE (EVEN-NUMBERED YEARS)**

Mid March (Even-Numbered Year)	“Policies & Procedures” and “Budget Instructions” memos sent to justices, judges, family and circuit court commissioners, clerks of circuit court, department managers and DCAs per SCR 70.12
Early April	Brief (1–2 paragraph) proposals submitted to Budget Officer.
Mid April	Chief Justice and Director of State Courts (DSC) meet with department managers and others to discuss ideas/suggestions submitted to determine which items to move forward.
Mid April	Requesters notified of proposals for which to develop detailed budget requests
Late May	Requesters submit detailed proposals to Budget Officer
Late May	PPAC Planning Subcommittee briefed on budget development and discuss which budget items are moving forward
June - August	Budget officer works with DSC, Chief Judge of the Court of Appeals and department managers to refine approved issues per SCR 70.12(c)3
Late June – August	Budget officer, Chief Justice and DSC review budget submissions
Late July	PPAC Planning Subcommittee briefed on biennial budget requests being developed
Spring – Summer	Budget officer works with DOA/Fiscal Bureau to set foundation for budget requests, arrange site visits, provide background information on court system
1 st week of August	Final budget draft prepared for PPAC/Planning Subcommittee review
2 nd week of August	PPAC/Planning Subcommittee meet to: 1) review draft budget and discuss whether budget is consistent with strategic plan; and 2) advise the Supreme Court & DSC in the Court’s review of the budget per SCR 70.14 (6)
Late August - Early September	Budget request submitted to Supreme Court with memo from Budget Officer, along with any comments from PPAC
Late August – Early September	Budget request reviewed and approved by Supreme Court
October 1	Technical budget document with issue papers sent to DOA and LFB
Early October	Informational bulletin on the court budget request distributed to justices and judges, clerks of circuit court, department heads, DCAs, PPAC and PPAC Planning

Once a determination is made on which ideas should move forward, all requesters are notified as to the status of their budget ideas/suggestions. Those requesters whose suggestions are moving forward are asked to develop initial budget requests. For those suggestions not moving forward, SCR 70.12(1)(c)5 provides that the Chief Judge of the Court of Appeals, the chief judges of judicial administrative districts, the Office of Lawyer Regulation and the Board of Bar Examiners may appeal to the Supreme Court a decision to not move forward with a proposal.

The budget and policy officer works with requesters to refine issues and justifications in the initial budget requests. The request provides both a narrative description of the proposal and a funding breakdown, if additional state funds are needed to implement the request. Some proposals may also require creation or modification of the state statutes.

The next step in the biennial budget development process involves PPAC because PPAC includes a broad representation of court system stakeholders (e.g., circuit court judges, a court of appeals judge, a municipal judge, representatives from the State Bar Board of Governors, the state public defenders, the district attorneys, clerks of circuit courts, DCAs, and the public). SCR 70.14(4) requires PPAC to be kept fully and timely informed about all budgetary matters affecting the judiciary to allow it to participate in the budget process. Further, SCR 70.14(6) requires PPAC to appoint a subcommittee to confer with the Supreme Court and myself in the Court's review of the budget. PPAC established a planning subcommittee in 2001 to strengthen PPAC's planning functions and foster a participatory and inclusive decision-making process. The eight-member subcommittee includes four circuit court judges, one court of appeals judge, one circuit court commissioner, one clerk of circuit court, one DCA. This subcommittee serves as the PPAC budget subcommittee because of the integral nature of planning and budgeting.

The budget and policy officer meets with PPAC Planning Subcommittee at any meetings they hold in June or July in every even-numbered year to update the subcommittee on the budget development status and review any submitted issue papers.

Approved requests are presented to PPAC and its Planning Subcommittee at their joint meeting in August for their review and recommendations to the Supreme Court. Following PPAC/Planning Subcommittee review, the budget and policy officer prepares for the Supreme Court a budget summary memo, along with detailed issue papers on all program requests and a list of all initial requests/suggestions that did not move forward, for Court review and action at an administrative conference.

Once the Supreme Court has approved the budget requests, the budget and policy officer must convert approved budget requests into the on-line State Budget System. After the budget and policy officer has completed the technical documents, the judicial branch state funding budget requests are combined into one budget document forwarded to the Governor (State Budget Office) and Legislature (Legislative Fiscal Bureau) on October 1 of each even-numbered year, with copies to the Supreme Court.

Throughout this process, the Committee of Chief Judges of judicial administrative districts and the Chief Judge of the Court of Appeals are kept updated on the budget status by my office.

Current Operating Budget Development Process

As the timeline shows in **Table 2**, the development of the court system's 31 departmental operating budgets begins with an annual planning process (see **Attachment B** for a list of operating budgets). I expect each department manager to develop an annual plan that sets forth departmental goals/objectives/major activities/budget needs for the upcoming fiscal year. Department managers are expected to use their annual plans to identify the departments' budgetary needs for achieving their stated goals/objectives/action steps.

The general approach to developing operating budgets is to use the previous year's expenditures as a starting point and then make updates based on known changes and estimates of increased or decreased costs to maintain current status. Any changes needed to reflect new initiatives to meet stated goals are also included. The budget and policy officer must wait until the biennial budget process is completed and funding levels for court appropriations have been authorized before beginning to work with department managers to formally establish annual operating budgets for each court and each court office. Annual operating budgets detail authorized budget levels for each court/office by specific cost categories (e.g., salaries, fringe benefits, travel, telecommunications, postage, etc.). The annual budgets provide specific expenditure limits for court managers to enable managers to incorporate their annual plans into their program operations without overspending.

The budget and policy officer's goal is to complete the operating budgets as early as possible in the fiscal year, after funding information is available. This typically means that operating budgets are not completed until after the expenditures for the previous fiscal year are finalized and appropriations for the fiscal year have been established (generally October). Since the biennial budget act that establishes appropriations for the next two fiscal years is typically not enacted by the start of the new biennium, operating budgets for even-numbered fiscal years may be even further delayed. After draft budgets are developed, the budget and policy officer meets with each department manager and the Chief Judge of the Court of Appeals to jointly review the drafts. Each year some changes are requested by some managers and most often these requests can be accommodated.

I complete a final review and approval of operating budgets. I receive monthly budget status reports throughout the fiscal year to keep updated.

After the operating budgets are established, as the fiscal year progresses, changes to some operating budgets are invariably needed due to a variety of factors: new programs/projects approved, updated information requiring re-estimate of certain costs, revised policies, etc. For example, FY 2011 budgets were modified to reflect the PeopleSoft project and to reflect the Court's decision in November to reduce furlough days from three to two.

The timelines for the development of three operating budgets – those for the Medical Mediation Panels (MMP), BBE and OLR – are different. The three programs are funded by assessments; for MMP, health care provider assessments and for OLR and the lawyer education part of BBE, attorney assessments paid as part of state bar dues. A preliminary operating budget for MMP needs to be developed in January preceding the fiscal year in order for the Board of Governors for the Injured Patients and Families Compensation Fund to set the physician fees for the following year. Preliminary operating budgets for BBE and OLR need to be approved first by their respective boards and then by the Supreme Court in the Spring preceding the fiscal year in time for the State Bar to set bar dues for the following year. The budget and policy officer works

closely with the respective program managers in developing their preliminary budgets and calculating the required assessment to fund those budgets.

Table 2 CURRENT TIMETABLE FOR DEVELOPMENT OF ANNUAL PLANS AND OPERATING BUDGETS	
December	Budget officer works with Medical Mediation Panel (MMP) Director to develop a preliminary operating budget that is provided to the Board of Governors for the Injured Patients and Families Compensation Fund for setting health care provider assessments
January	Department managers develop annual plans that set forth departmental goals/objectives/activities/budget needs and submit to the Director of State Courts.
February	Budget officer works with directors of BBE and OLR to develop their offices' preliminary operating budgets for setting attorney assessments for the upcoming fiscal year.
March	Supreme Court approves BBE and OLR operating budgets and State Bar assessments
June 30	Close of state fiscal year
July	All revenues and expenditures relating to previous fiscal year activity are coded to the previous fiscal year throughout the month of July to finalize the previous fiscal year's accounting records
July of odd-number years	Monitor the status of the biennial budget process. New fiscal year appropriations are not available until Governor signs the biennial budget into law. Delays in passing the biennial budget could correspondingly delay the development annual operating budgets
Late August	Accounting records for previous state fiscal year are officially closed. The fiscal officer certifies to the Department of Administration that the previous fiscal year's appropriations are closed. Final fiscal year expenditure figures are available for preparing annual operating budgets
September-October	Budget officer works with department managers, district court administrators and the chief judge of the Court of Appeals to set fiscal year operating budgets (NOTE: timeframe could be delayed in odd-number years if enactment of biennial budget is delayed). Court system managers are expected to ensure that any budget resources approved in their annual plans are incorporated into their annual operating budget. Operating budgets are approved by the Director of State Courts (DSC) before being finalized.
Throughout remainder of fiscal year	Budget officer monitors operating budgets and works with respective manager and DSC to modify as necessary. Any significant modification to an operating budgets or annual plans must be approved by the DSC.

The preliminary budgets are set based on current law and organizational decisions made by the Supreme Court. Because these preliminary budgets are established for MMP, BBE and OLR before all information for the upcoming fiscal year is available, the budget and policy officer typically re-estimates these budgets in the Fall when the other departmental operating budgets are being developed and, if significant, modifies the operating budgets as appropriate. For example, for FY 2012 budget development for MMP, BBE and OLR, the 2011-13 biennial budget had not yet been introduced, legislation concerning fringe benefit changes had not been enacted, and the Supreme Court had not taken final action on certain personnel changes (e.g., need for furlough, equity adjustments, pay-for-performance adjustment, etc.)

The fiscal officer (Brian Lamprech) manages all grant/contract programs. Contracts with Milwaukee and Dane Counties to provide law library and legal resource services are awarded on a calendar year basis so corresponding operating budgets are established by the fiscal officer and law librarian on a calendar year basis. Likewise, the fiscal officer also manages any federal grant programs; those budgets and timelines are established based on each specific grant and its requirements.

Proposed Role of Supreme Court Finance Committee

The development of both the biennial budget and operating budgets are time sensitive. Therefore, to ensure the budget office can comply with established time deadlines, the Supreme Court Finance Committee discussed the following for its involvement in the development of the court system's biennial and operating budgets:

- (1) ***Biennial Budget Development.*** Share with the Supreme Court Finance Committee the initial budget ideas sent to the budget and policy officer and keep the members advised of what ideas are moving forward in the budget development process. Include the Supreme Court Finance Committee to meet regularly with the PPAC's Planning subcommittee when the subcommittee is briefed on the budget development by the budget and policy officer as shown by the highlighted text in **Table 3** that follows.
- (2) ***Operating Budget Development.*** Once the operating budgets are developed, convene a meeting of the Supreme Court Finance Committee for their review of departmental annual operating budgets and budget as described in the proposed operating budget and annual plan development process described in **Table 4. Attachments C and D** show examples of information to be provided to the Finance Committee. After the Committee's review, the department annual plans and budgets are provided to the Supreme Court.

If during the fiscal year a department's operating budget is adjusted more than 10 percent of the total of all of its operating budgets or \$10,000, whichever is greater, **OR** there is a significant deviation from the department's approved annual plan, the adjusted operating budget or adjusted annual plan will be re-submitted to the Finance Committee for review using the 10-day review process. After the Committee's review of modifications, they are provided to the Supreme Court.

Because the development of both the biennial budget and operating budgets can be content sensitive, the Supreme Court Finance Committee would not meet in open conference.

**Table 3
PROPOSED BIENNIAL BUDGET TIMETABLE (EVEN-NUMBERED YEARS)**

Mid March (Even-Numbered Year)	“Policies & Procedures” and “Budget Instructions” memos sent to justices, judges, family and circuit court commissioners, clerks of circuit court, department managers and DCAs per SCR 70.12
Early April	Brief (1–2 paragraph) proposals submitted to Budget Officer. Proposals sent to Supreme Court (SC) Finance Committee ¹
Mid April	Chief Justice and Director of State Courts (DSC) meet with department managers and others to discuss ideas/suggestions submitted to determine which items to move forward. List of items moving forward sent to SC Finance Committee ¹
Mid April	Requesters notified of proposals for which to develop detailed budget requests
Late May	Requesters submit detailed proposals to Budget Officer
Late May	PPAC Planning Subcommittee and SC Finance Committee jointly ¹ briefed on budget development and discuss which budget items are moving forward
June - August	Budget officer works with DSC, Chief Judge of the Court of Appeals and department managers to refine approved issues per SCR 70.12(c)3
Late June – August	Budget officer, Chief Justice and DSC review budget submissions
Late July	PPAC Planning Subcommittee and SC Finance Committee jointly ¹ briefed on biennial budget requests being developed
Spring – Summer	Budget officer works with DOA/Fiscal Bureau to set foundation for budget requests, arrange site visits, provide background information on court system
1 st week of August	Final budget draft prepared for PPAC/Planning Subcommittee and SC Finance Committee ¹ review
2 nd week of August	PPAC/Planning Subcommittee/ SC Finance Committee ¹ meet to: 1) review draft budget and discuss whether budget is consistent with strategic plan; and 2) advise the Supreme Court & DSC in the Court’s review of the budget per SCR 70.14 (6)
Late August - Early September	Budget request submitted to Supreme Court with memo from Budget Officer, along with any comments from PPAC and/or the SC Finance Committee ¹
Late August – Early September	Budget request reviewed and approved by Supreme Court
October 1	Technical budget document with issue papers sent to DOA and LFB
Early October	Informational bulletin on the court budget request distributed to justices and judges, clerks of circuit court, department heads, DCAs, PPAC and PPAC Planning and SC Finance Committee ¹

¹ Proposed role of Supreme Court Finance Committee in biennial budget development

Table 4 PROPOSED DEVELOPMENT OF ANNUAL PLANS AND OPERATING BUDGETS	
December	Budget officer works with Medical Mediation Panel (MMP) Director to develop a preliminary operating budget that is provided to the Board of Governors for the Injured Patients and Families Compensation Fund for setting health care provider assessments
January	Department managers develop annual plans that set forth departmental goals/objectives/activities/budget needs and submit to the Director of State Courts. Supreme Court (SC) Finance Committee sent copy of MMP preliminary operating budget for review under 10-day review process prior to submission to the Board of Governors
February	Budget officer works with directors of BBE and OLR to develop their offices' preliminary operating budgets for setting attorney assessments for the upcoming fiscal year. SC Finance Committee sent copies of BBE and OLR draft operating budgets and State Bar assessments as approved by their respective Boards under a 10-day review process ²
March	Supreme Court approves BBE and OLR operating budgets and State Bar assessments
June 30	Close of state fiscal year
July	All revenues and expenditures relating to previous fiscal year activity are coded to the previous fiscal year throughout the month of July to finalize the previous fiscal year's accounting records
July of odd-number years	Monitor the status of the biennial budget process. New fiscal year appropriations are not available until Governor signs the biennial budget into law. Delays in passing the biennial budget could correspondingly delay the development annual operating budgets
Late August	Accounting records for previous state fiscal year are officially closed. The fiscal officer certifies to the Department of Administration that the previous fiscal year's appropriations are closed. Final fiscal year expenditure figures are available for preparing annual operating budgets
September-October	Budget officer works with department managers, district court administrators and the chief judge of the Court of Appeals to set fiscal year operating budgets (NOTE: timeframe could be delayed in odd-number years if enactment of biennial budget is delayed). Court system managers are expected to ensure that any budget resources approved in their annual plans are incorporated into their annual operating budget. Operating budgets are approved by the Director of State Courts (DSC) before being finalized. SC Finance Committee meets to review operating budget summaries and department annual plans (see Attachment C). After SC Finance Committee review, budget summaries and plans are sent to the Supreme Court ²
Throughout remainder of fiscal year	Budget officer monitors operating budgets and works with respective manager and DSC to modify as necessary. If significant modifications are made to operating budgets or annual plans, SC Finance Committee is sent copies of modifications for review via a 10-day review process. After SC Finance Committee review, budget modifications are sent to Supreme Court ²

² Proposed role of Supreme Court Finance Committee in annual planning and operating budget development

DOCUMENT 05

COMMITTEE OF CHIEF JUDGES & DISTRICT COURT ADMINISTRATORS MEETING MINUTES

January 19, 2012, 9:30 a.m.
Capitol Ballroom B, Concourse Hotel
Madison, WI

CHIEF JUDGES PRESENT: Jeffrey Kremers, District #1; Mary Wagner, District #2; J. Mac Davis, District #3; Robert Wirtz, District #4; C. William Foust, District #5; John Storck, District #6; William Dyke, District #7; Donald Zuidmulder, District #8; Gregory Grau, District #9; and Scott Needham, District #10.

DISTRICT COURT ADMINISTRATORS PRESENT: Bruce Harvey, District #1; Beth Bishop Perrigo, Deputy DCA District #1; Andrew Graubard, District #2; Michael Neimon, District #3; Jon Bellows, District #4; Gail Richardson, District #5; Ron Ledford, District #6; Pat Brummond, District #7; John Powell, District #8; Susan Byrnes, District #9; and Scott Johnson, District #10.

OTHERS PRESENT: A. John Voelker, Director of State Courts; Sara Ward-Cassady, Deputy Director for Court Operations; Pam Radloff, Deputy Director for Management Services; Marcia Vandercook, Office of Court Operations; Deb Brescoll, Budget Officer; Amanda Todd & Tom Sheehan, Court Information Officers; Nancy Rottier, Legislative Liaison; Karla Baumgartner, Municipal Judge Program Attorney; and Lori Irmen, Director of State Courts Office.

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11. Meeting with Supreme Court

The meeting agenda was included in the meeting materials. Judge Foust said the Chief Justice indicated that she wanted to provide an update on the Supreme Court Finance Committee at the meeting. Judge Foust said that as chief of the chiefs, he worked on the concept along with Justice Roggensack, Justice Gableman, and Court of Appeals Chief Judge Rick Brown. Mr. Voelker said the group compiled information about what such a committee would look like and what the process might be if the committee became a reality. Mr. Voelker said the Court has yet to consider the committee proposal. Budget planning will begin in March and continue until the budget request is submitted in October. It was noted the chief of the chiefs changes annually in August, so the chief judges should consider how they might want to choose their delegate to be available through a two-year budget cycle.

DOCUMENT 06

JOINT MEETING OF THE SUPREME COURT AND CHIEF JUDGES/DISTRICT COURT ADMINISTRATORS

January 19, 2012, 12:30 p.m.
Capitol Ballroom B, Concourse Hotel
Madison, WI

JUSTICES PRESENT: Chief Justice Shirley Abrahamson; Justices Ann Walsh Bradley; N. Patrick Crooks; David T. Prosser, Jr.; Patience Drake Roggensack; and Annette Kingsland Ziegler.

CHIEF JUDGES PRESENT: Jeffrey Kremers, District #1; Mary Wagner, District #2; J. Mac Davis, District #3; Robert Wirtz, District #4; C. William Foust, District #5; John Storck, District #6; William Dyke, District #7; Donald Zuidmulder, District #8; Gregory Grau, District #9; and Scott Needham, District #10.

DISTRICT COURT ADMINISTRATORS PRESENT: Bruce Harvey, District #1; Beth Bishop Perrigo, Deputy DCA, District #1; Andrew Graubard, District #2; Mike Neimon, District #3; Jon Bellows, District #4; Gail Richardson, District #5; Ron Ledford, District #6; Pat Brummond, District #7; John Powell, District #8; Susan Byrnes, District #9; and Scott Johnson, District #10.

OTHERS PRESENT: A. John Voelker, Director of State Courts; Sara Ward-Cassady, Deputy Director for Court Operations; Pam Radloff, Deputy Director for Management Services; Amanda Todd and Tom Sheehan, Court Information Officers; Deb Brescoll, Budget Officer; Nancy Rottier, Legislative Liaison; Marcia Vandercook, Office of Court Operations; and Lori Irmen, Director of State Courts Office.

Chief Justice Abrahamson and Chief Judge Foust welcomed the members to the meeting and introductions were made. The group welcomed Jon Bellows, who joined the courts in early January as the District Court Administrator in District #4.

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(5) Update on Supreme Court finance committee

Chief Justice Abrahamson said the idea of a Supreme Court finance committee is being studied by herself, Justice Roggensack, Justice Gableman, Chief Judge of the Court of Appeals Richard Brown, and Judge Foust as Chair of the Chief Judges' Committee. They have met to talk about the role of the committee in concept, an idea that will go to the Supreme Court for consideration. Chief Justice Abrahamson said the biennial budget request process begins in the spring of even-numbered years, when requests for budget ideas are sent to members of the judiciary and others. Any ideas received would be shared with the Finance Committee, along with the other ideas moving forward in the budget process. Chief Justice Abrahamson is aware the chief judges' chair is named each fall, so the plan would need to address how to handle the change in the committee membership in the middle of the process. Justice Roggensack said that one trial judge

suggested to her that the president of the Wisconsin Trial Judges' Association should be a part of the committee, and she passed on the suggestion to Judge Kuhnmuensch.

Judge Dyke asked about the effects other budgets have on the system. For example, the delay in receiving blood testing results is very problematic. Mr. Voelker said the director of the hygiene lab is aware of the problems and has created a task force to try and find some solutions to address the problem. Funding is an issue but some of the processes are also a factor in the delay. Mr. Voelker said that he is a member of the task force and will continue to report on this issue.

DOCUMENT 07

COMMITTEE OF CHIEF JUDGES & DISTRICT COURT ADMINISTRATORS MEETING MINUTES

March 9, 2012, 9:00 a.m.
Garden Level Conference Room, Tenney Building
Madison, WI

CHIEF JUDGES PRESENT: Jeffrey Kremers, District #1; Mary Wagner, District #2; J. Mac Davis, District #3; Robert Wirtz, District #4; C. William Foust, District #5; John Storck, District #6; William Dyke, District #7; Donald Zuidmulder, District #8; Gregory Grau, District #9; and Scott Needham, District #10.

DISTRICT COURT ADMINISTRATORS PRESENT: Bruce Harvey, District #1; Andrew Graubard, District #2; Michael Neimon, District #3; Jon Bellows, District #4; Ron Ledford, District #6; Pat Brummond, District #7; John Powell, District #8; Susan Byrnes, District #9; and Scott Johnson, District #10.

OTHERS PRESENT: A. John Voelker, Director of State Courts; Sara Ward-Cassady, Deputy Director for Court Operations; Pam Radloff, Deputy Director for Management Services; Marcia Vandercook, Office of Court Operations; Deb Brescoll, Budget Officer; Amanda Todd and Tom Sheehan, Court Information Officers; Nancy Rottier, Legislative Liaison; Theresa Owens, Executive Assistant to the Chief Justice; and Sue Gray, Director of State Courts Office.

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9. **Appointment of a delegate to Supreme Court Finance Committee**

Judge Foust said there is a proposal before the Supreme Court to create a Supreme Court Finance Committee to work on court system budget issues. The exploratory committee that is studying the proposal consists of Chief Justice Abrahamson, Justices Roggensack, Justice Gableman, Chief Judge of the Court of Appeals Richard Brown, and Judge Foust as Chief of the Chief Judges. A similar membership is proposed for the ongoing committee.

Judge Foust raised the question of whether the chief judges' representative should be the Chief of the Chief Judges or any chief judge. The problem is that the term of the Chief of the Chiefs and the budget cycle do not mesh: the budget is a two-year cycle running April to April of even-numbered years, while the term of the Chief of the Chiefs runs August to August for one year, usually at the end of that judge's service on the committee. Mr. Voelker said this is a good time to discuss how to handle this, because the Supreme Court has not yet taken up the proposal and would likely accept a suggestion from the Chief Judges.

Judge Wagner suggested that the appointee be someone who has been on the Chief Judges committee for a significant period of time and whose last term is ending so they

have time to work on the committee. Judge Zuidmulder suggested it be the most senior member of the Chief Judges committee who would end up being the Chief of the Chiefs in the window of the budget cycle. Judge Foust pointed out that in every two-year period there may be up to three members of the committee who are serving their last term. He suggested the Chief Judges' representative be someone who in the 5th or 6th year of their appointment and be appointed for a two-year term so the entire budget cycle is covered.

Judge Kremers recommended that the appointee be someone who will be on the Chief Judges committee for at least the two years encompassed by their appointment, regardless of whether they are the Chief of the Chiefs. He thought the chief judges should not be foreclosed from selecting someone who had a strong interest in court finance even if the person has not been Chief of the Chiefs. Judge Davis agreed. Judge Wagner suggested that even if the person's term on the Chief Judges committee ended during their appointment to the finance committee, that they be allowed to continue to serve on the finance committee on behalf of the chief judges.

Judge Kremers moved that the Chief Judges position on the Supreme Court Finance Committee be appointed by the Committee of Chief Judges for a two-year term commencing in April of an even-numbered year, and that at the time of their appointment the person be a member of the Committee of Chief Judges. Judge Wagner seconded the motion, which carried.

Mr. Voelker asked that Judge Foust remain on the exploratory committee for the time being until the Supreme Court creates the finance committee, at which time the Chief Judges can revisit the appointment of a representative.

DOCUMENT 08

SUPREME COURT RULES RELATING TO ADMINISTRATION OF BUDGET

SCR 70.03 Director; budget.

The director of state courts shall have the responsibility and authority for development of the budget for the court system for submission to the supreme court for final approval.

SCR 70.12 Budget procedures and policies.

(1) The basic components of the budget process for the judicial branch shall include:

(a) The judicial branch, to the extent possible, will meet the same budget development and preparation deadlines as are required of state agencies.

(b) The judicial branch, to the extent practicable, will submit the same narrative portion of the budget as is required of state agencies.

(c) There shall be an internal budget request and review procedure during the preparation of each biennial budget which involves:

1. A budget procedural and policy direction memorandum by the chief justice directed to all heads of judicial agencies under the supervision of the supreme court. This should be sent out by June 30 of every even-numbered year.

2. A procedure requiring justification of existing programs and positions as well as new programs and positions.

3. A review of all requests from all components of the judicial branch by the director of state courts and a final decision by the director.

4. A review by the chief justice and the supreme court of the director's recommendation.

5. Appeal to the supreme court of the director's decision only by the chief judge of the court of appeals, chief judges of judicial administrative districts and office of lawyer regulation and board of bar examiners.

6. A system of deadlines for each step in the judicial budget preparation process.

(2) A process for public hearings may be established for requests for additional courts. A process for public hearings for major new programs or budget initiatives may be developed.

(3) The chief justice, with the assistance of the director of state courts, shall be responsible for the presentation of the biennial budget of the judicial branch to the joint committee on finance.

(4) The judicial branch shall establish a regular independent audit procedure.

SCR 70.14 Planning and policy advisory committee.

(1) The planning and policy advisory committee shall consist of:

(a) The chief justice of the supreme court, or such other justice as the supreme court may designate.

(b) One judge of the court of appeals selected by the court of appeals.

(c) Thirteen circuit judges, with one judge elected by the judges of each of judicial administrative districts 2 to 4 and 6 to 10, with 2 judges elected by the judges of judicial administrative district 5 and 3 judges elected by the judges of judicial administrative district 1.

(d) One municipal judge elected by the Wisconsin Municipal Judges Association.

(e) Two persons selected by the board of governors of the state bar.

(f) Three nonlawyers, one of whom shall be an elected county official, appointed by the chief justice.

(g) A public defender appointed by the chief justice.

(h) A court administrator appointed by the chief justice.

(i) A prosecutor appointed by the chief justice.

(j) A clerk of court appointed by the chief justice.

(k) One circuit court commissioner, who shall be selected for a three-year term, the selection to be made alternately, first by the Wisconsin Family Court Commissioners Association, then by the Wisconsin Association of Judicial Court Commissioners.

(2) The chief justice, or his or her designee, will act as chairperson of the planning and policy advisory committee. The chairperson shall appoint an existing judicial member of the planning and policy advisory committee to serve as vice-chairperson. The vice-chairperson will act in a leadership capacity in the absence of the chairperson and will serve in this capacity at the discretion of the chairperson.

(3) The director of state courts shall meet with and participate in the deliberations of the committee. The director shall have full floor privileges, including the right to be an

advocate on any issue before the committee. The director shall not be a member of the committee and shall not have a vote on matters before the committee.

(4) The purpose of the planning and policy advisory Committee is to advise the supreme court and the director of state courts in the director's capacity as planner and policy advisor for the judicial system. The committee shall also assist the supreme court and the director in evaluating the administrative structure of the court system, including recommending appropriate changes in the administration and methods of operations of all the courts of the state, the volume and condition of business in those courts, and advise on the expeditious handling of judicial matters in the future. The planning and policy advisory committee shall be kept fully and timely informed by the director of state courts about all budgetary matters affecting the judiciary to allow it to participate in the budget process.

(5) The committee shall meet at the call of its chairperson, but shall meet at least quarterly. The agenda shall include reports from and recommendations by the subcommittees. Staffing for the committee shall be provided by members of the director's staff assigned to subject matter areas under consideration by the committee.

(6) The planning and policy committee is authorized to create subcommittees where appropriate and shall appoint a subcommittee to confer with the supreme court and the director of state courts in the court's review of the budget.

(7) The supreme court shall meet with the planning and policy advisory committee on an annual basis for a full discussion of judicial matters of mutual concern.