

Judiciary - Supreme Court

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	175.0	175.0	177.0 ^{1/}
Personal Services	6,211,100	6,017,600	6,185,400
Employee Related Expenditures	2,290,800	2,272,600	2,204,500
Professional and Outside Services	135,700	748,400	748,400
Travel - In State	147,000	138,500	138,500
Travel - Out of State	30,100	34,800	34,800
Other Operating Expenditures	3,397,600	3,790,100	4,103,800
Equipment	247,200	0	0
OPERATING SUBTOTAL	12,459,500	13,002,000	13,415,400 ^{2/3/4/}
SPECIAL LINE ITEMS			
State Aid	4,648,900	5,648,400	5,648,500
County Reimbursements	187,900	187,900	187,900 ^{5/}
Automation	10,246,200	20,013,100	19,977,700 ^{6/7/}
Case and Cash Management System	2,426,600	0	0
WAAS Upgrade	0	0	948,700
State Foster Care Review Board	3,611,500	3,212,300	3,178,500
Court Appointed Special Advocate	2,650,400	2,862,500	2,862,900
Model Court	446,800	437,600	437,600
Domestic Relations	649,600	621,000	613,400
Judicial Nominations and Performance Review	426,800	413,500	409,100
Commission on Judicial Conduct	520,300	505,000	498,600
Felony Pretrial Intervention	0	0	250,000
AGENCY TOTAL	38,274,500	46,903,300	48,428,300 ^{8/}
FUND SOURCES			
General Fund	15,863,900	17,951,100	19,219,500
<u>Other Appropriated Funds</u>			
Confidential Intermediary and Fiduciary Fund	257,500	488,400	488,900
Court Appointed Special Advocate Fund	2,548,400	2,942,800	2,943,200
Criminal Justice Enhancement Fund	2,221,200	4,363,800	4,365,200
Defensive Driving School Fund	3,072,100	4,197,300	4,198,500
Health Services Lottery Monies Fund	0	0	250,000
Judicial Collection Enhancement Fund	11,883,700	14,014,900	14,017,900
State Aid to the Courts Fund	2,427,700	2,945,000	2,945,100
SUBTOTAL - Other Appropriated Funds	22,410,600	28,952,200	29,208,800
SUBTOTAL - Appropriated Funds	38,274,500	46,903,300	48,428,300
Other Non-Appropriated Funds	16,642,200	21,403,800	21,403,800
TOTAL - ALL SOURCES	54,916,700	68,307,100	69,832,100

^{1/} Includes 52.5 GF and 21.8 OF FTE Positions funded from Special Line Items in FY 2017.

^{2/} Included in the operating lump sum appropriation for the Supreme Court is \$1,000 for the purchase of mementos and items for visiting officials. (General Appropriation Act footnote)

^{3/} The operating lump sum appropriation includes \$500,000 and 2 FTE Positions for the creation of 2 new Supreme Court justice positions. (General Appropriation Act footnote)

^{4/} The operating lump sum includes \$10,600 for the first of a 2-year 3% pay increase phase-in for Supreme Court justices. (General Appropriation Act footnote). The FY 2017 General Appropriation Act (Laws 2016, Chapter 117) includes a provision that makes the first 1.5% increase effective on January 1, 2017 and the second 1.5% increase effective January 1, 2018.

^{5/} Of the \$187,900 appropriated for County Reimbursements, State Grand Jury is limited to \$97,900 and Capital Postconviction Relief is limited to \$90,000. (General Appropriation Act footnote)

AGENCY DESCRIPTION — The Supreme Court consists of 5 Supreme Court Justices (7 as of January 2017), judicial support staff and the Administrative Office of the Courts (AOC). The Supreme Court, as the state’s highest court, has the responsibility to review appeals and to provide rules of procedure for all the courts in Arizona. Under the direction of the Chief Justice, the AOC provides administrative supervision over the Arizona court system.

Operating Budget

The budget includes \$13,415,400 and 102.7 FTE Positions in FY 2017 for the operating budget. These amounts consist of:

	FY 2017
General Fund	\$9,588,600
Confidential Intermediary and Fiduciary Fund	488,900
Criminal Justice Enhancement Fund (CJEF)	7,000
Defensive Driving School Fund	706,200
Judicial Collection Enhancement Fund (JCEF)	2,624,700

These amounts fund the following adjustments:

Additional Justices

The budget includes an increase of \$500,000 and 2 FTE Positions from the General Fund in FY 2017 for partial-year funding of 2 additional Supreme Court justices. Laws 2016, Chapter 333, expands the number of Supreme Court justices from 5 to 7. At least 3 candidates for each of these positions will be selected by the Commission on Appellate Court Appointments and provided to the Governor for approval. The term for each justice will begin on the first Monday in January 2017.

Judicial Salary Increase

The budget includes an increase of \$10,600 from the General Fund in FY 2017 for the first year of a 2-year phase-in of a 3% judicial pay increase. The budget includes a salary increase for all Supreme Court, Court of Appeals, and Superior Court judges beginning with a 1.5% salary increase beginning on January 1, 2017. The budget includes a further 1.5% increase effective January 1, 2018.

The budget made the judicial salary increase contingent on the passage of legislation (Laws 2016, Chapter 333) that increased the Supreme Court from 5 to 7 justices.

Statewide Adjustments

The budget includes a decrease of \$(97,200) in FY 2017 for statewide adjustments. This amount consists of:

- 6/ On or before September 1, 2016, the Supreme Court shall report to the Joint Legislative Budget Committee on current and future automation projects coordinated by the Administrative Office of the Courts. The report shall include a list of court automation projects receiving or anticipated to receive state monies in the current or next 2 fiscal years as well as a description of each project, the number of FTE Positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in 1 summary document. The report shall indicate each project’s total multiyear cost by fund source and budget line item, including any prior year, current year and future year expenditures. (General Appropriation Act footnote)
- 7/ Automation expenses of the Judiciary shall be funded only from the Automation line item. Monies in the operating lump sum appropriation or other line items intended for automation purposes shall be transferred to the Automation line item before expenditure. (General Appropriation Act footnote)
- 8/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

General Fund	(103,300)
Confidential Intermediary and Fiduciary Fund	500
CJEF	1,400
Defensive Driving School Fund	1,200
JCEF	3,000

(Please see the Agency Detail and Allocations section.)

State Aid

The budget includes \$5,648,500 and 3.3 FTE Positions in FY 2017 for State Aid. These amounts consist of:

CJEF	2,703,400
State Aid to the Courts Fund	2,945,100

These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of \$100 from the State Aid to the Courts Fund in FY 2017 for statewide adjustments.

The State Aid line item provides state aid to counties for the payment of judges pro tempore salaries, and for projects designed to improve the processing of criminal cases in the Superior Court and Justice Courts. The State Aid to the Courts Fund receives: 1) 40.97% of a 7% penalty assessment on fines, penalties, and forfeitures imposed by the courts for criminal and civil motor vehicle violations, and 2) a portion of the monies collected by the Supreme Court and the Court of Appeals.

The AOC distributes the monies appropriated from court fines and collections to the Superior Court and the Justice Courts based on a composite index formula using Superior Court felony filings and county population. Monies appropriated from the State Aid to the Courts Fund in the State Aid line item are distributed to all counties.

County Reimbursements

The budget includes \$187,900 from the General Fund in FY 2017 for County Reimbursements. This amount is unchanged from FY 2016.

The County Reimbursements line item provides reimbursement to counties for grand jury expenses and for state-funded representation of indigent defendants in first-time capital postconviction relief proceedings. Statute limits reimbursements to counties for grand jury expenses and state-funded representation of indigent defendants in first-time capital postconviction relief proceedings to the amount appropriated for those purposes.

Automation

The budget includes \$19,977,700 and 13 FTE Positions in FY 2017 for Automation. These amounts consist of:

General Fund	3,357,100
Court Appointed Special Advocate (CASA) Fund	80,300
CJEF	1,654,800
Defensive Driving School Fund	3,492,300
JCEF	11,393,200

These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(35,400) from the General Fund in FY 2017 for statewide adjustments.

The Automation line item provides funding for court automation projects throughout the state. The budget includes monies from other Supreme Court and Superior Court line items in the Automation line item to allow for the centralization of Judicial automation expenditures. Going forward, automation costs will be solely funded from the Automation line item. As required by a General Appropriation Act footnote, any additional monies expended from other line items for automation projects are to be transferred to the Automation line item prior to expenditure.

WAAS Upgrade

The budget includes \$948,700 from the General Fund in FY 2017 for a one-time upgrade to the Wide Area Application Services (WAAS) equipment within the Courts.

In 2009, the Supreme Court purchased WAAS equipment to enhance the data transmission capacity and data speed across the Arizona Judicial Information Network (AJIN).

AJIN allows various state agencies to receive information from the courts that is necessary for their operations such as driver's license revocations, child support decisions, and other court case information. This one-time funding will allow the Courts to replace all existing WAAS equipment with updated hardware and software.

State Foster Care Review Board

The budget includes \$3,178,500 and 40 FTE Positions from the General Fund in FY 2017 for the State Foster Care Review Board. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(33,800) from the General Fund in FY 2017 for statewide adjustments.

The Foster Care Review Board line item coordinates local volunteer review boards for foster care children in out-of-home placement. *(Please see the Other Issues section for more information on the Auditor General's recommendations.)*

Court Appointed Special Advocate

The budget includes \$2,862,900 and 5.5 FTE Positions from the Court Appointed Special Advocate (CASA) Fund in FY 2017 for CASA. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of \$400 from the CASA Fund in FY 2017 for statewide adjustments.

The CASA line item administers and monitors a community-based volunteer advocacy program for abused and neglected children in the Juvenile Court System. In FY 2015, 1,243 individuals volunteered for this program.

Model Court

The budget includes \$437,600 from the General Fund in FY 2017 for Model Court. This amount is unchanged from FY 2016.

Monies in this line item represent a pass-through to counties to improve processing of dependency cases. The Superior Court budget includes an additional \$3,000,000 in General Fund monies in FY 2017 to fund operating expenses associated with a surge in dependency cases. *(Please see the Dependency Surge line item in the Superior Court budget for more information.)*

Domestic Relations

The budget includes \$613,400 and 4.9 FTE Positions from the General Fund in FY 2017 for Domestic Relations. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(7,600) from the General Fund in FY 2017 for statewide adjustments.

The Domestic Relations line item provides coordination and technical support for groups formed to develop and review policies and programs related to domestic relations and child support.

Judicial Nominations and Performance Review

The budget includes \$409,100 and 3.6 FTE Positions from the General Fund in FY 2017 for Judicial Nominations and Performance Review. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(4,400) from the General Fund in FY 2017 for statewide adjustments.

This line item funds administrative costs to oversee the nominations for the Supreme Court, the Court of Appeals, and the Superior Court in Maricopa, Pima, and Pinal Counties, as well as evaluating the performance of all merit retention justices and judges. The results of the performance evaluations are provided to the voters before each retention election.

Commission on Judicial Conduct

The budget includes \$498,600 and 4 FTE Positions from the General Fund in FY 2017 for Commission on Judicial Conduct. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(6,400) from the General Fund in FY 2017 for statewide adjustments.

The Commission on Judicial Conduct investigates and resolves all complaints of judicial misconduct.

Felony Pretrial Intervention

The budget includes \$250,000 in one-time funding from the Health Services Lottery Monies Fund in FY 2017 for a new Felony Pretrial Intervention line item.

These monies are to be distributed to the Maricopa County Attorney’s Office. The Maricopa County Attorney’s Office currently administers a program that allows individuals who are charged with felonies to avoid prosecution by successfully completing a treatment program tailored to their individual needs.

Other Issues

Fund Transfers

The budget continues \$5,000,000 in aggregate fund transfers for the Supreme and Superior Courts in FY 2017. The Supreme Court share of these fund transfers would be \$1,100,000 and would be allocated as follows:

Alternative Dispute Resolution Fund	\$300,000
Arizona Lengthy Trial Fund	300,000
CASA Fund	500,000

The Superior Court share of these fund transfers would be \$3,900,000, allocated as follows:

Drug Treatment and Education Fund	\$250,000
Juvenile Probation Services Fund	3,650,000

These aggregate fund transfers represent a decrease of \$(1,000,000) from the \$(6,000,000) in transfers that were part of the Legislature’s 3-year spending plan associated with the FY 2016 enacted budget. As part of a new 3-year spending plan, the FY 2017 General Appropriation Act also included \$3,000,000 in aggregate fund transfers for the Supreme and Superior Courts in FY 2018. The Supreme Court share of these fund transfers would be \$900,000 and would be allocated as follows:

Alternative Dispute Resolution Fund	\$300,000
Arizona Lengthy Trial Fund	200,000
CASA Fund	400,000

The Superior Court share of these fund transfers would be \$2,100,000, allocated as follows:

Drug Treatment and Education Fund	\$250,000
Juvenile Probation Services Fund	1,850,000

(Please see the Other Issues section in the Superior Court for more information.)

Auditor General Recommendation

In a September 2015 audit, the Auditor General recommended that the Foster Care Review Board should:

- Evaluate the adequacy of its recruitment strategies, implement new strategies as needed, and provide more administrative support to recruitment efforts.
- Improve report distribution timeliness in its Phoenix office.
- Continue to collaborate with the Department of Child Safety to improve caseworker attendance at board reviews and consider pursuing legislation requiring caseworker's attendance at board reviews.
- Develop and implement a process for making recommendations for improving Arizona's child welfare system and reporting key program metrics to stakeholders.