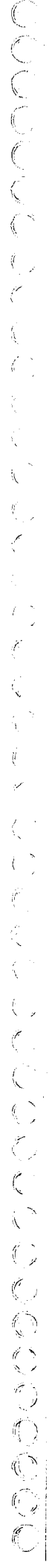




**JUDICIARY INFORMATION TECHNOLOGY FUND
ANNUAL REPORT FOR FISCAL YEAR 2006**

**Administrative Office of the U.S. Courts
James C . Duff, Director**



JUDICIARY INFORMATION TECHNOLOGY FUND

Background

The Judiciary Information Technology Fund (JITF) was established by Congress in fiscal year 1990 (28 U.S.C. § 612) to assist the judiciary in implementing its automation initiatives. The authority of the JITF was extended indefinitely in the fiscal year 1998 Commerce, Justice, State, Judiciary, and Related Agencies Appropriations Act (P.L.No. 105-119). The JITF was authorized "without fiscal year limitation," which allows the judiciary to carry forward funds for projects that incur obligations over multiple years. The fund makes it possible to implement the *Long Range Plan for Information Technology in the Federal Judiciary* and to manage the information technology (IT) program over a multi-year planning cycle while maximizing efficiencies and benefits.

The JITF provides the judiciary with a funds management tool which allows more effective and efficient planning, budgeting, and use of appropriated funds for IT activities. In keeping with the judiciary's IT mission, these activities include a vital communications infrastructure that connects all court units securely and is now the lifeline for information transfer, stewardship applications that ensure the judiciary manages its resources effectively, various court support projects and case management systems to provide judges and staff the tools they need to perform their day-to-day work, and public access to electronic court records.

Under the guidance of the Judicial Conference of the United States and according to the goals and strategic initiatives contained in the Conference-approved *Long Range Plan for Information Technology in the Federal Judiciary*, the judiciary continues to implement and maintain programs and systems to support the IT needs of the courts. The judiciary now has a successful enterprise-wide IT program upon which judges, court staff, probation and pretrial services officers, and others depend to conduct their mission-critical day-to-day business. This includes applications such as those for case management, financial and accounting systems, and human resources as well as the data communications network which serves as the backbone for data and information transfer. The IT needs of the judiciary will continue to evolve in response to changing technology opportunities and environment and to changing expectations and requirements, both internal and external. The judiciary's response to the changes will be reflected in future annual reports.

Sources of Funds

Each fiscal year, the IT requirements of the courts are financed via the JITF from a variety of sources:

- Deposits from the courts' Salaries and Expenses account;
- Fee collections from the Electronic Public Access (EPA) program;
- Unobligated balances in the fund from prior fiscal years;
- Allotments to the courts originally for non-IT purposes that are reprogrammed locally by courts for IT initiatives under the budget decentralization program; and
- Voluntary deposits from non-mandatory judiciary users of the fund (such as the Court of International Trade, the U.S. Sentencing Commission, and the Administrative Office of the U.S. Courts).

Deposits from Salaries and Expenses Account	\$260.0
Fee Collections from Electronic Public Access	\$62.3
Unobligated Balances from Prior Year	\$98.4
Deposits from Courts	\$26.2
Deposits from Non-Mandatory Users	\$0.9
Total Available	\$447.8

Obligations

In fiscal year 2006, a total of \$301.2 million was obligated within the JITF for IT activities in the judiciary. Of this amount, \$126.4 million was obligated by the courts and \$174.8 million was obligated centrally to provide the courts with operational support. These obligations are described below.

Centrally Obligated IT Program Components

Funds obligated centrally on behalf of the courts in fiscal year 2006 provided support for thirteen distinct IT program components as shown in the table below:

<i>CENTRALLY OBLIGATED IT PROGRAM COMPONENTS</i> <i>(\$ in Millions)</i>	<i>FY 2006</i> <i>OBLIGATIONS</i>
Court Administration and Case Management Systems	\$ 16.0
Judicial Statistical and Reporting Systems	\$ 2.4
Courtroom Technology Program	\$ 7.1
Emergency Preparedness	\$ 2.9
Electronic Public Access Program	\$ 11.6
Probation and Pretrial Services	\$ 9.3
Financial Systems	\$ 16.5
Human Resources Systems	\$ 12.5
Management Information Systems	\$ 9.7
Infrastructure and Collaboration Tools	\$ 36.9
Telecommunications Program	\$ 27.0
Reimbursable Program	\$ 22.8
Non-Mandatory Users	\$ 0.1
Total Obligations	\$ 174.8

- **Court Administration/Case Management Systems.** This category encompasses systems that manage cases and case files for appellate, district and bankruptcy courts and the Central Violations Bureau. Systems also include juror qualification, management, and payment; as well as the management and administration of library functions.
- **Judicial Statistical and Reporting Systems.** This category includes systems to support gathering and reporting statistics in the judiciary, financial disclosure reporting by judges and judiciary employees, inter-circuit assignments, bankruptcy administrator

management and reporting, the law clerk hiring process, and the federal rule-making process.

- **Courtroom Technology Program.** This category provides for the installation and maintenance of courtroom technologies to improve the quality and efficiency of courtroom proceedings. The judiciary continues its program to equip courtrooms with a variety of technologies to improve the quality and efficiency of certain aspects of courtroom proceedings. These technologies include video evidence presentation systems, audio systems, audio and video conferencing systems, and electronic methods of taking the record. The Judicial Conference has endorsed the use of such technologies in the courtroom as they can improve trial time, lower litigation costs, facilitate fact-finding, enhance the understanding of information, and improve access to court proceedings.
- **Electronic Public Access Program (EPA).** The EPA program encompasses systems and services to provide the public with electronic access to federal case and court information and provides centralized billing, registration, and technical support services through the Public Access to Court Electronic Records (PACER) Service Center. This results in internet access to data from case files in all court types, in accordance with policies set by the Judicial Conference.

Pursuant to congressional directives, the program is self-funded and revenues are used to fund IT projects related to public access. Fee revenue from electronic public access is deposited into the JITF. Funds are used first to pay the expenses of the PACER program. Funds collected above the level needed for the PACER program are then used to fund other IT initiatives related to public access. The entire development costs for the Case Management/Electronic Case Files (CM/ECF) project have been funded solely through EPA collections. In fiscal year 2004, in accordance with congressional direction, EPA collections began to be used to support CM/ECF operations and maintenance requirements as well.

- **Emergency Preparedness.** This category is composed of projects associated with congressionally mandated earmarks for telecommunications and information technology initiatives providing critical emergency preparedness and disaster response on a national basis.
- **Probation/Pretrial Services Management Systems.** This category provides probation and pretrial services personnel case management and decision support tools as well as tools to access critical case information while working in the field. Support is also provided for storage and sharing of electronic documents; collection, analysis, and reporting of client data; and the IT needs of the Federal Law Enforcement Training Center.

- **Financial Systems.** In addition to the financial accounting system, this category includes systems to support the budgeting process, pay for counsel and expert services, track and monitor criminal debt imposed by the court, handle cash receipting, report payroll information, and handle travel expenses.
- **Human Resources Systems.** This category encompasses systems for personnel, payroll, and retirement-related services, judges' retirement, fair employment practices reporting, and integration of all human resources-related items as well as efforts to reduce travel-based training. It also includes equipment to produce educational news programming for the judiciary, the public, and Congress.
- **Management Information Systems.** This category includes a collection of systems and activities to support the procurement process, the judiciary's national websites, the collection of survey information, the national records management program, the Court Operations Support Center, and the *Guide to Judiciary Policies and Procedures*. Also included are systems to manage facilities projects and to support planning and decision-making with staffing, financial, and workload data.
- **Infrastructure and Collaboration Tools.** Infrastructure and collaboration tools provide support to the national IT program including testing, training, and support; maintenance and replacement of servers; e-mail messaging; IT security and national gateways, mainframe computer and national software licenses; IT project management; information systems architecture; local court grants for technology innovation; portal technology; and infrastructure for identity management services.
- **Telecommunications Program.** This category includes voice and data transmissions services; telecommunications equipment for new buildings; and allotments to courts for local, long-distance, and cellular service and telephone system maintenance. For telecommunications allotments to the courts, see the following section on court obligations.
- **Reimbursable Program.** This program funds central staff who provide IT development, management, and maintenance services on the behalf of the courts. This includes IT policy and planning guidance, architecture and infrastructure support, security services, development, testing, and implementation of national IT applications, IT training and other administrative and IT support services on behalf of the courts.
- **Non-Mandatory Users.** This category is composed of projects executed by non-mandatory judiciary users of the fund (such as the Court of International Trade, the U.S. Sentencing Commission, and the Administrative Office of the U.S. Courts).

Courts' Obligations

Court Allotments. Each fiscal year, funds are provided directly to the courts for a variety of IT-related activities. Typically these funds cover the costs associated with operating, maintaining, and cyclically upgrading their installed base of desktop personal computers, laptop computers, printers, and local-area-network equipment. Allotments for maintaining the base of equipment are based on a funding model which uses industry-standard cyclical replacement cycles and pricing. Funds are also allotted for other IT-related purposes such as training and for local, commercial long distance, and cellular telephone services. In fiscal year 2006, the courts obligated \$126.4 million for the following activities:

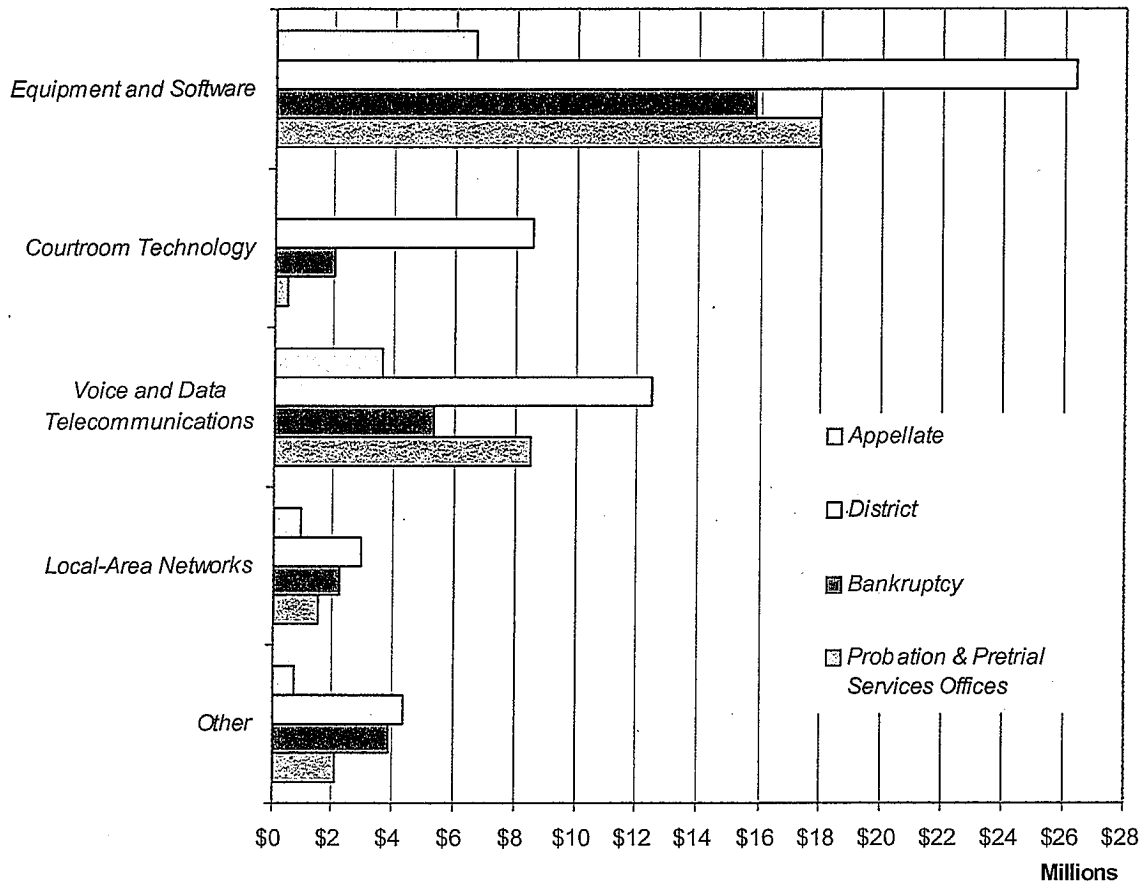
- **Equipment and Software.** A total of \$66.8 million (53 percent of court obligations) was obligated by the courts for the routine cyclical replacement of computer equipment and software for judges and chambers staff, non-chambers court staff, and probation and pretrial services offices. Also included in these expenditures are procurement of equipment for new judges, local support to CM/ECF and other national applications, and locally developed applications.

Of this \$66.8 million, \$26.5 million was obligated by district courts; \$17.9 million was obligated by probation and pretrial services offices; \$15.8 million was obligated by bankruptcy courts; and \$6.6 million was obligated by courts of appeals.

- **Telecommunications Services.** A total of \$29.9 million (24 percent of court obligations) was obligated by the courts for local, commercial long distance, and cellular services in the appellate, district, and bankruptcy courts and in the probation and pretrial services offices. This category also includes obligations for telephone maintenance and for telephone equipment that was not procured centrally.
- **Local-Area Networks.** A total of \$7.6 million (6 percent of court obligations) was obligated by the courts for equipment and other IT expenses related to operating and maintaining the courts' local-area networks.
- **Courtroom Technology.** A total of \$11.0 million (9 percent of court obligations) was obligated by the courts for installation and maintenance of courtroom technology equipment. This includes video evidence presentation systems and related equipment which contribute to the jury's ability to understand witnesses and testimony and to the judge's ability to manage proceedings.
- **Other IT Expenses.** A total of \$11.1 million (9 percent of court obligations) was obligated by the courts for other IT expenses including video teleconferencing equipment which can be used for a variety of court and administrative purposes; equipment, software, supplies, and other IT expenses related to supporting the public access for the courts; expenses related to supporting the courts' continuity of operations plans, and

expenses related to providing remote access and to support telecommuting programs; and IT expenses for dedicated training rooms.

Obligations by Court Type



Unobligated Balances

The Judiciary Information Technology Fund was authorized without fiscal year limitation, making it possible to carry forward funds for projects that incur obligations over multiple years and to manage the IT program over a multi-year planning cycle. Of the \$447.8 million available to the fund in fiscal year 2006, \$301.2 million was obligated, leaving an available balance of \$146.6 million unobligated.

In fiscal year 2006, the judiciary continued significant cost-containment measures within its Salaries and Expenses account, including the Judiciary Information Technology Fund, to reduce expenditures in all aspects of operations. By prioritizing needs and deferring some planned central expenditures, the judiciary was able to carry forward funds to improve the position of the courts in fiscal year 2007.

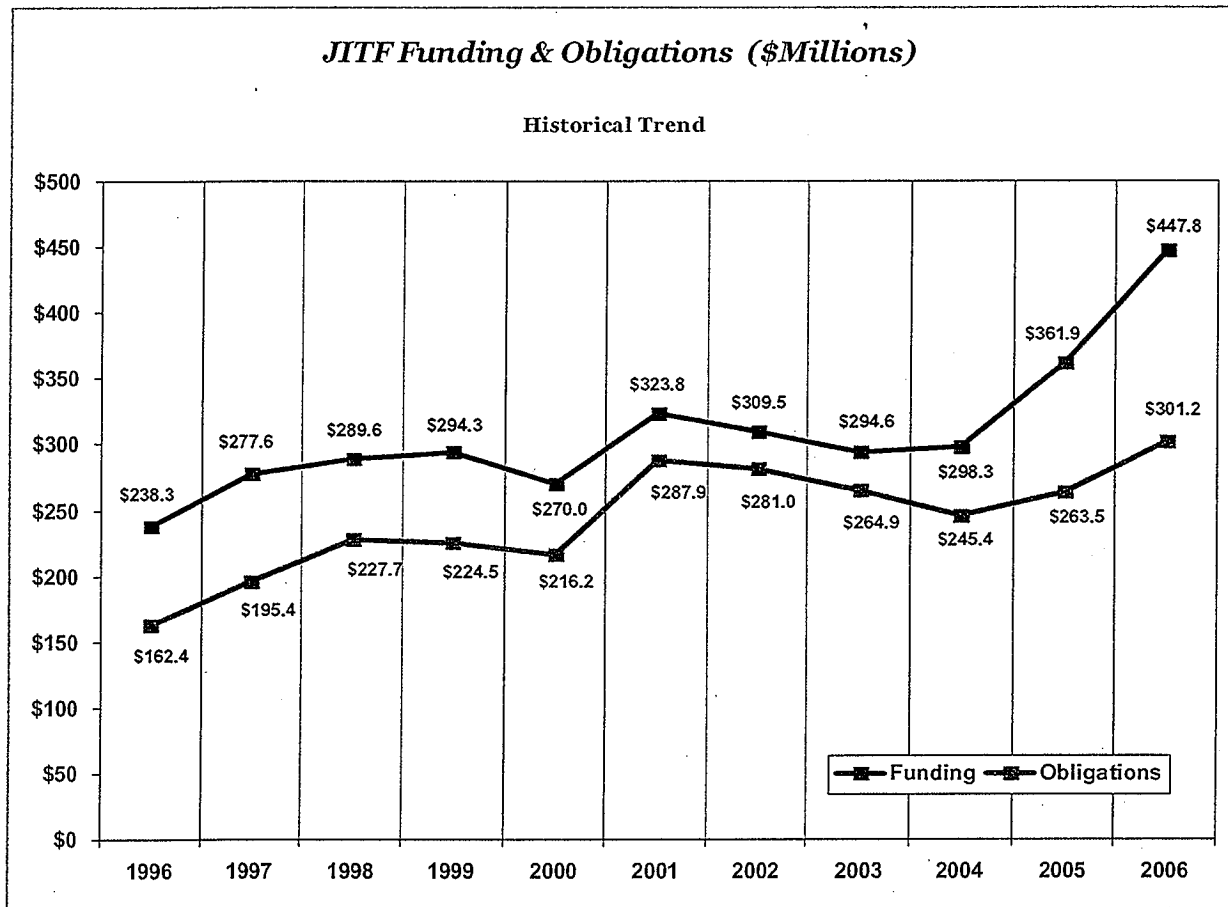
This resulted in an unobligated amount of \$146.6 million which included the following:

- \$9.4 million in schedule slippages for the installation of telephone equipment and technologies associated with courthouse construction and renovation delays;
- \$12.0 million in schedule slippages associated with the development, enhancement, and deployment of national IT projects;
- \$4.4 million in schedule slippages for network and telecommunications initiatives resulting from the delay in the GSA award of the government-wide communications contract (Networx).
- \$1.1 million in slippages associated with projects in the local initiatives program due to competing priorities at the local court level;
- \$9.9 million in delays in order to comprehensively define requirements associated with the procurement and implementation of IT-related equipment, licenses and support services;
- \$17.0 million for funding associated with the multi-year implementation of alternative methods of service delivery and support for major IT systems;
- \$32.2 million retained in the Electronic Public Access program resulting from unanticipated revenue growth associated with public requests for case information. The judiciary is examining expanded use of the fee revenue in accordance with the authorizing legislation;
- \$3.3 million in unobligated balances from the Court of International Trade, the U.S. Sentencing Commission, and the Administrative Office; and

- \$57.2 million realized in savings that will be used to reduce the judiciary's requirements for appropriated funds for IT in fiscal year 2007 (\$24.2 million) and fiscal year 2008 (\$33.0 million). Savings were comprised of \$22.7 million in efficiencies; \$9.0 million in unexpended deposits from courts; \$11.4 million in recoveries of prior year obligations; and \$14.1 million in unallocated funds.

Judiciary Information Technology Fund History

The following chart shows the history of funding and obligations of the fund for the past eleven years. The information technology needs of the judiciary continue to evolve in response to changing technology opportunities, the need to restrain growth in overall costs, and increased expectations and requirements.



In fiscal year 2004, the judiciary undertook a number of measures within the Salaries and Expenses account (including the JITF) to contain costs in all aspects of operations. By prioritizing needs and deferring some planned central expenditures, the judiciary was able to carry forward unobligated funds to improve the position of the courts in subsequent fiscal years and to finance the judiciary's efforts to implement alternative methods of service delivery for major information technology systems.

Success Stories

The judiciary is continually bridging the gap between past technology efforts, the current environment, and the needs of tomorrow. This section presents how technology has been applied to support the judiciary's major constituencies and its mission.

Supporting Judges and Chambers. Technology is truly revolutionizing trial processes. The use of technology in the courtroom facilitates case management, reduces trial time and litigation costs, and improves fact-finding, jury understanding, and access to court proceedings. Judges indicate that video evidence presentation technologies improve their abilities to understand witnesses and testimony and to manage proceedings. Courts are using videoconferencing in a variety of proceedings (as well as for other administrative and training purposes). Technology also has been used in high-profile trials to ensure public safety and enhance proceedings. The judiciary is continuing to equip courtrooms with a base technology infrastructure and portable equipment that can be shared among courtrooms to ensure technology is available at the lowest cost.

Public Access to Court Records. The EPA program gives the public electronic access to court information at a reasonable cost. Previously, a member of the public who wanted case information was required to visit the court in person, where a clerk would locate and retrieve the paper file and the documents of interest would be photocopied for a fee. Now, through services provided by the EPA program, a user can obtain case information anywhere there is an internet connection, or simply a telephone. The program has made the courts far more accessible to the public and proven popular with the bar. The judiciary has taken significant steps to ensure that fees are fair and reasonable, and it has developed free access options such as public terminals in the courthouse as well as voice case information systems for bankruptcy and appellate courts.

In 2006, the EPA Program reached a new milestone in PACER registrations, surpassing 550,000 user accounts. PACER customers include members of the bar; federal judiciary staff; city, state and federal employees; and the general public. Along with fee collections, the PACER Service Center support staff established more than 120,000 new accounts, fielded more than 120,000 help desk calls, and responded to almost 30,000 support emails.

Emergency Preparedness. Events such as September 11, 2001, the Washington D.C. anthrax scare, and hurricanes Katrina and Rita demonstrated the need for emergency preparations for the judiciary. A number of tools have been deployed to assist in continuity of operations planning for disasters as well as daily communications and operations.

The virtual private network (VPN) plays an important role in the continuity of operations planning for the courts. The ability to connect to the Data Communications Network remotely allows users to securely access e-mail, visit internal web sites, and access various applications. From a contingency perspective, a VPN account allows judiciary managers and employees communicate and telework until the emergency is resolved. All judiciary managers and judges

are encouraged to establish a VPN account and become familiar with remote access procedures. As a further contingency, user accounts are maintained on a master access list to allow users to access a replicated server in case their primary server fails to respond.

As a further emergency planning measure as well as to serve the judiciary's ever more mobile workforce, a service entitled Judiciary Remote Access to Notes was deployed in 2006. It enables all judiciary staff to access their e-mail accounts from any location at any time without pre-registration or special software. Other emergency preparedness measures include a national infrastructure for wireless devices and a web conferencing system.

Modernization of Case Filing and Management. The CM/ECF systems continued to serve the courts, expand in functionality, and move closer to full judiciary-wide implementation. During the year, 15 more courts completed implementation and are now "live" on the system. Nationwide implementation in district and bankruptcy courts is complete with the exception of one bankruptcy court and four district courts. And the appellate system is now ready for implementation. New software releases have enabled gathering new statistics required by the bankruptcy act, facilitating inter-district transfers, and enabling documents filed in CM/ECF to hyperlink to other CM/ECF documents. Operational Forums have further helped courts share "best practices" in utilizing CM/ECF.

The caseload of the judiciary has outpaced the staffing available to accomplish it. CM/ECF continued to greatly reduce the docketing burden on court staff by automatically creating docket entries from the attorneys' electronic filings. The total number of attorneys who have filed through CM/ECF passed the 250,000 milestone, and those attorneys now make nearly half of all the docket entries in the courts. They also perform 90 percent of all the case-opening data entry in the bankruptcy courts and 35 percent in a limited but growing number of district courts.

The importance of conflict-screening capabilities came to the forefront in 2006 when the Judicial Conference adopted mandatory automated conflict checking for all judges for their financial interests. The policy requires judges to develop a conflicts list, update it on a regular basis, and use it in automated screening (as a supplement to personal review of cases for conflicts). The judiciary's CM/ECF system contains software for this purpose and is the preferred option.

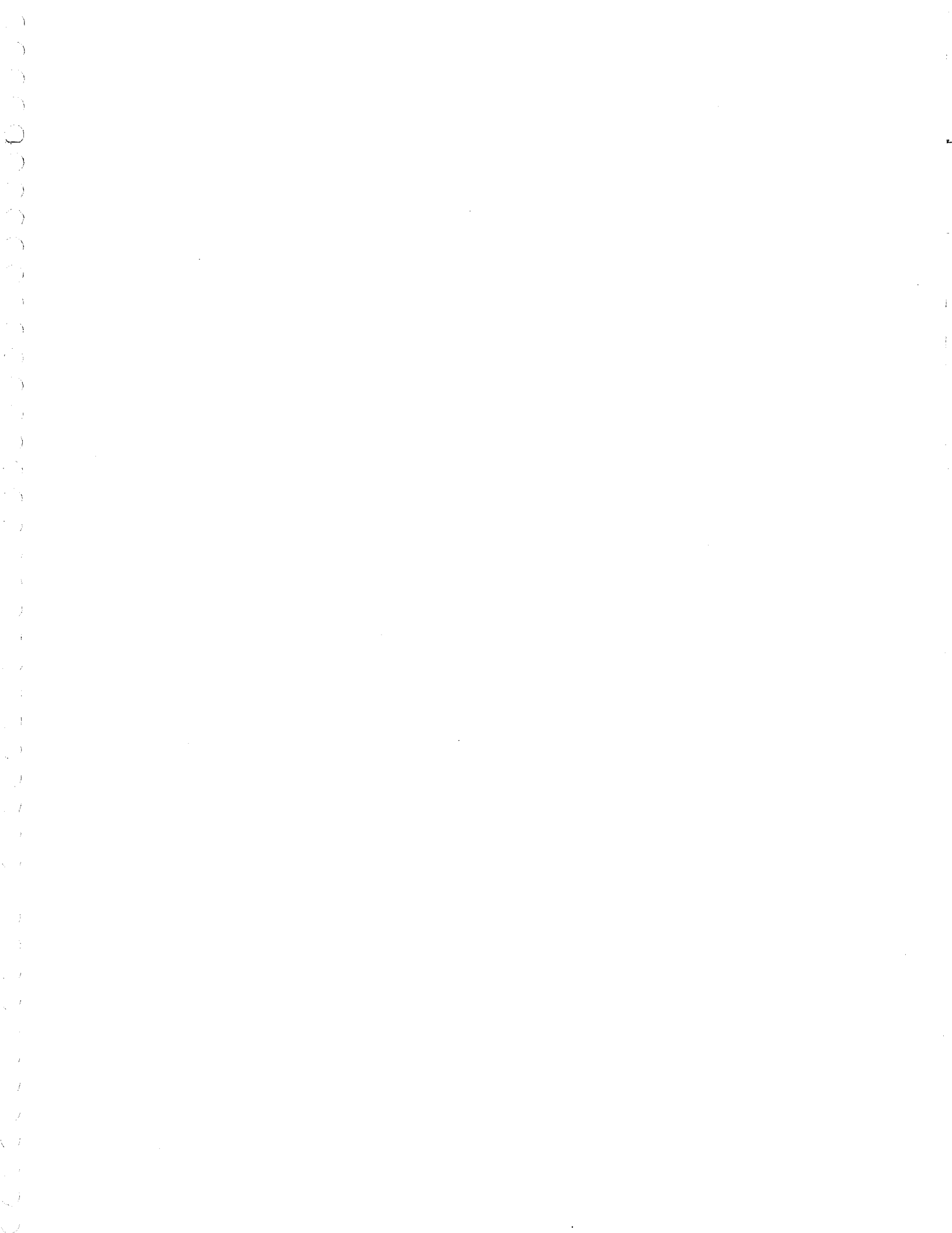
Modernization of Administrative Systems. In June 2006 the Committee on Judicial Resources endorsed a vision for human resources service delivery. The number one priority was automation of processes and to that end, the judiciary is building upon the Human Resources Management Information System to provide the courts with the tools that will help them streamline and achieve efficiencies. The initial version of remote data entry was deployed in the third quarter of fiscal year 2006 and enables the courts to submit electronically approximately 32 percent of the critical personnel actions. Implementation of the remaining personnel actions will take place in fiscal year 2007. This will eliminate a predominately paper-driven process, reduce processing time, create an audit trail for personnel actions, and allow both court and Administrative Office staff to focus on providing substantive advisory services to the courts.

Cost Containment Initiative for Server Aggregation. The judiciary has focused on consolidating local court servers into several managed service centers, and identifying and implementing better and more economical service delivery models for national IT applications. This initiative reached several important milestones in 2006.

The contract to consolidate servers for the Probation Automated Case Tracking Systems into two contractor-owned and operated facilities was awarded, and migration has been completed in 17 districts, with the remainder expected to be complete by the end of fiscal year 2007. It is expected that approximately \$3.0 million in costs will be avoided over a six-year period as a result.

A proof-of-concept analysis to consolidate the Jury Management System onto CM/ECF servers in each court showed no discernable impact on system performance, and will result in cost savings of \$4.6 million over five years. Implementation is under way with seven courts completed and 13 in process. The goal is to have all courts using the shared server configuration by December 2007.

A proof of concept for aggregation of servers that host the judiciary's financial system, FAS₄T, will have nine test courts operational by the end of January 2007. The goal of server aggregation is to allow the courts to adopt new technical and business models more rapidly while significantly reducing costs of licensing, managing, and upgrading 94 sites.





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