



CHAMBERS OF
PATIENCE DRAKE ROGGENSACK,
JUSTICE

STATE OF WISCONSIN
SUPREME COURT
STATE CAPITOL, 16 EAST
P. O. BOX 1688
MADISON, WISCONSIN 53701
608-266-1888
FAX: 608-261-8275

PATTI GOTRIK
JUDICIAL ASSISTANT

August 23, 2012

Supreme

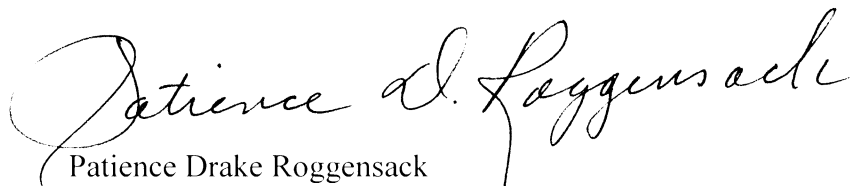
Ms. Diane M. Fremgen
Clerk of Supreme Court
110 East Main Street, Suite 215
Madison, WI 53703

RE: Rule Petition 12-07

Dear Ms. Fremgen:

Enclosed please find a transcript of the first meeting of the Supreme Court Finance Committee, held on October 10, 2011. Please file it as a comment to Rules Petition 12-07.

Sincerely,


Patience Drake Roggensack
Justice, Wisconsin Supreme Court

PDR:pkg

cc: Supreme Court Finance Committee members
Supreme Court Justices
John Voelker, Director of State Courts

October 10, 2011 Open Administrative Conference

SSA: Good morning. This is our first meeting of the Finance Committee. The Finance Committee was established by the court in June, but without a mission or without a statement of its functions because the court didn't know enough about the budget, but more significantly, didn't know enough about operating budgets to set forth a mission statement or more importantly, that a mission statement is a function of this Finance Committee. So this is our first meeting and John, at my request, sent you all an agenda, and it says there will be a meeting of the Finance Committee. The first scheduled meeting is at 10:00 a.m. October 10 and we will have to conclude this at about 11:00. Tina says 11:30. I said 11:40. As usual, we will compromise and make it 11:35 because we have a noon admissions ceremony with quite a number of people.

The Committee is assigned the task of examining possible activities for the Finance Committee and so let me introduce the members of the Finance Committee. I'm Shirley Abrahamson, the Chief Justice. To my right is Justice Michael Gableman. Seated next to him is Justice Patience Roggensack. Across the table is Chief Judge Richard Brown of the Court of Appeals and to my immediate left is Justice William Foust, who's Chief....isn't that right?

VOELKER: He's not quite a justice yet.

SSA: I'm sorry.

PDR: Immediate promotion.

SSA: Judge, Chief Judge William Foust of, is that the Fifth District?

FOUST: Yes.

SSA: He's also Chief of the committee of Chief Judges this year and so that will be a moving seat as the chair changes. It usually changes every year.

FOUST: It does.

SSA: Okay. And so that is the committee. Now John sent out on August 1 a memorandum and said these were narratives explaining the development of the court system's biennial budget and operating budgets and he had a proposal on how the Supreme Court Finance Committee might be incorporated into these processes. Now. I see some papers on our desk and one, I assume is from Utah since it has the Utah court budget cycle and documents and the other is from the State of Maine on an advisory committee on finances. Okay. Thank you, John. (GLITCH IN RECORDING 3:49)a computer which makes me believe that you are going to through the development of the biennial budget on screen.

VOELKER: That was my intention.

SSA: All right. Good. Then you're going to show where your proposal is for the Finance Committee to fit into this and in your documents, you have it highlighted in bold.

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(4:21)

VOELKER: I'm going to stand so I can use this mike. Does that help? I will use this mike to work through it. I think, Chief Justice, I'm going to give you an oversight of what's in there. Let me just give you a little background on how we went about it. Upon the idea of the Finance Committee being created, I sat down with Deb and Pam and said okay, let's look at our biennial process. I'm going to step through here in a minute and where are the critical decision points in our process and how can we include a Finance Committee into those critical decision points in the process. Not only for our biennial budget, but then after the legislature passes the budget, then we have our appropriation and then we set our operating budgets, same thing with that. So the memo I sent out on August 1 really gives an oversight into that and before I get into the details, let me tell you where we, we kind of combined a couple different ideas for what we have. So we asked ourselves where the critical decision points were and I distributed at everyone's spot, as the Chief had noted, the Utah court budget cycle which we have modeled after to some extent in our proposal, as well as the only other state I found, at least in researching, that had at least any sort of finance committee, was Maine. The only information that they have provided me to date is this Purpose Statement, which is the other document that you have at your spot. Despite a variety of inquiries, I have yet to get any other additional details from them and I also understand their committee isn't very active any more, after being initially set up in 2008 and maybe that's the delay of getting the details of the numbers-wise in Maine, but you can see their purpose, duties, authority and membership are somewhat similar to the membership that we have here. It looks to be five or six folks. So that are the two documents at your place.

The only other piece of information, which we don't have a document for, is we looked at Utah, modeled after Utah, Maine wasn't all that productive of insight, at least what they provided us to date. And then we also looked at our own budget process here in the State of Wisconsin and how does the Joint Finance Committee interact with agencies to look at their budgets. So as we get to the operating budget, we kind of shifted from Utah and a little bit of Maine in the biennial leading into the operating budget and then we kind of flipped over to look at how our own Joint Finance Committee looks at operating budgets once they start and if there are changes to it, how do you do that and then we modeled Joint Finance's process a little bit into ours. So that's the background and where this comes from as far as what's proposed for the Finance Committee.

So, let me just, I'm just going to walk through our normal budget process. Anything in black that comes up is what we currently do. This is our current process in putting together, we will start with the biennial budget. This timing is, every year, we would put a biennial budget together, which is every other year, obviously. This is the exact time we use almost every time. You have a lot of notice on how this process plays out.

SSA: Is it mid-March of 2012, the even numbered year?

VOELKER: Yep, even numbered years is when we would follow.....

SSA: Okay, so it's mid-March even number years.

(8:05)

VOELKER: Correct. So what we do is send out budget instructions. Usually we get budget instructions from the administration saying things are tight, etc. and this is the parameters in which to operate from. We send stuff out to justices, judges, court commissioners, department heads, clerks of courts, DCAs and say we're starting the biennial budget process. Give some thought to any potential biennial budget projects you think we should consider. So we send that out and ask for folks' input. Once we get that, well, they send it to Deb, she's the lucky one that gets to review. And what've we changed up recently is we used to ask for a full blown budget proposal initially and what we found is a lot of people were discouraged from taking the time and effort to do a full fledged budget proposal on an idea that they were just kind of trying to figure out what might be a good idea or not or needed more information. So we've changed that up to ask for a lot briefer information over the last couple of years so we can encourage people to at least give us their ideas.

So once Deb gets the information, it's assembled, she meets with myself and the Chief to go over the ideas and look at what should, we should consider further in the process. I can tell you a lot of the ideas that we do get usually end up being changes to how the operational budget is put together as opposed to a biennial budget proposal because usually a biennial budget proposal is a rather significant change to our appropriations.

SSA: When you say that, they don't come in and say we want to change X operational budget, they usually want a program. The court system should do Z and our response many times, or the budget people's response many times, is we don't need a special budget request for that because that's within the purview of the court system and so it may within the purview of court operations and if you want to do X in court operations, we can fit that in, and it will be a program or plan or whatever you want to call it for court operations and we don't need a special budget item for it.

VOELKER: Correct. A good idea, I think, from this last budget process is someone said we should do a training session on a certain topic.

SSA: That's what's I'm talking about. Good.

VOELKER: And really a training session might not cost a lot of money. We might be able to figure out within Judicial Ed or the topic area would be court operations, if it's training and something they do, we would say when we set the operational budget, let's make sure there's a plan for them to afford to do this training. Because if you go into a lot of detail in the biennial budget process, then a lot of that detail is then potentially discussed in the legislature, etc. and it's a small enough item that we should be able to readjust operational budgets to go ahead. So a lot of times ...

SSA: We may not even need an adjustment. It just be a part of, I mean, there still may be training money and there will still be the same amount of training money, but that there will be a note for the operations that a request was made to train on Z. Think about that.

VOELKER: And then that would be forwarded to, let's say a training idea, to Dave to think about how he might fit it into the annual plan at Judicial Ed.

SSA: They're really ideas for what should be done in the system.

VOELKER: Once we identify the bigger, broader things that really seem to be a biennial budget proposal, then Deb, then we communicate with those folks and say this sounds like a good idea, we need more information. Can you put a little more meat on the bones. What's it all mean? What do you think it's going to cost, etc. We kind of ask them to do the work. If we have to sell it to the legislature, you sell it to us now. It's kind of how we look at it. Then we help them tweak it as part of the biennial process, if indeed it's an idea that people think is worth pursuing.

Which brings up this idea of what is worth pursuing. At this point, once we have this information, we meet with PPAC Planning Subcommittee. So PPAC Planning has been around for a number of years and because Supreme Court Rules says PPAC has to be involved and kept informed on the budget process and because a full PPAC group doesn't meet often enough to really do it, PPAC has identified the Planning Subcommittee that kind of takes on a new role called the Budget Subcommittee during this part of the year. They will be involved in this discussion. So I will go to PPAC Planning, which I usually go to their meetings anyhow, but in this case, Deb would be along, we'd go through the list of things that were proposed and then talk about the things that we think should move on and do people think those are good ideas, bad ideas, should we tweak them. There's things on the list that we didn't think should move on, people might say well I think that is a good idea and maybe we should look at that one and then we'll talk about it and have a discussion about what goes on.

(13:26)

A good example of that this year was the judicial compensation commission. We had identified that as an item from the trial judges association, thought we should pursue it. We wrote it up. When it got to PPAC Planning, there was some elements of it that the committee was uncomfortable with, that there had to be two-thirds vote of a certain committee in order for it to go ahead. They said, I don't think that's a good idea. I think it should just be a majority. So we tweaked it with the Planning Subcommittee to make it a better, I think, in the end proposal.

So we'll have that discussion there and as you can see in your materials that's involved, but for the PowerPoint I put it in red. We think this might be a good opportunity for not just the Planning Subcommittee to meet and talk about this, but have a joint meeting with the Finance Committee to have that general discussion about what this means. Are these good ideas? Not good ideas? Do you think this one should go ahead? Etc. The benefit of it is, I think, the Finance Committee is at a really critical decision point and as I said at the beginning, there's different decision points, critical decision points. This is one of the first ones and rather than having a separate committee look at it independently, that we think a joint meeting would be efficient for the system. We wouldn't be adding extra steps into our current budget process, but also allow a wider variety of folks to be part of that discussion. So that's the first spot where we see the Finance Committee playing a role in the biennial budget.

(14:55)

From there, June and August, then Deb does a lot of the work, working with folks that have put the information forward. Her years of experience with the Fiscal Bureau and working with DOA gives her a pretty good idea of the type of questions they are going to ask, what type of proof we're going to need, documentation that this is a good idea so we continue to work with that. As

part of that, not really an official part of it, but as Chief Judge Foust knows, during this period of time pretty much a budget update or a budget status discussion is always on the Chief Judges agenda. They don't have an official role so to speak, but I'm always looking for their input, as well as other folks in the system. So I keep them up-to-date on what ideas that PPAC might have identified for the Planning Committee for moving forward and we would get their information also.

Late June and August, we would review the actual budget submissions and then in late July, the PPAC Planning Subcommittee, again, gets the fully documented, supported budget proposals as we believe are going to be going forward. Again, same idea, this is another critical decision point, and I actually think this is the decision point last time with the Judicial Commission or Compensation Commission where the Planning Committee said we don't like the way this reads, this doesn't sound right, I think it sounds like it's a little presumptuous on our part to ask for a different vote than anybody else gets, so we edited it up. So, again, this is a step that we currently do, but would probably benefit the Finance Committee as being part of that discussion.

Then we kind of proceed on with the process of further documentation, talking to folks in the administration, the Fiscal Bureau, getting our information. We prepare our final draft for PPAC Planning Committee of what we think would actually be submitted. Again, consistent with other times when PPAC Planning meets on the budget, it would be a good opportunity for the Finance Committee to meet jointly with those folks and really have this overall discussion of, does this make sense? Does it read right? Is this a good idea?

The second week of August, PPAC as a whole then, gets it. Because remember this is always just a subcommittee of PPAC and they really can't act for PPAC as a whole so whatever they decide in that first week, then gets forwarded to the full PPAC, which is 25+ people with judges from every judicial district, public defender, etc. So now we have widened it into a justice system-type of group looking at it.

SSA: I think that's a typo then. Second week of August, is PPAC, not Planning Subcommittee, it's the entire PPAC. Is that right?

VOELKER: Well, actually the Planning Committee has some folks that aren't on PPAC, but they attend this meeting so it's actually correct.

SSA: So that's why you have it slashed. Okay.

(18:08)

VOELKER: Yes. So they'll look at and see if it's consistent with the strategic plan because in theory, and that's why it's put together this way, is PPAC is the court's arm of planning. I mean, it's right in the title, obviously, Planning and Policy Advisory Committee and right in its mission one of its role is to assist the supreme court and the director in planning and that's why every year, they put the critical issues plan together. Every other year, I should say. And what we want to do at that point, is if we're going to be consistent with why we do planning, we do planning to know where we're going so we want to make sure our biennial budget requests are consistent with the priority items in that report. And that's the whole idea that PPAC is always involved in this is that you don't want someone to put together a strategic plan that's say we want

to be here in five years, but when we put the budget together, we're supporting projects that neither support that plan or go in an opposite direction. So the idea is that PPAC is part of this to make sure that whatever has been worked on to this point in the budget is absolutely consistent or generally consistent with that plan and that's the Critical Issues Plan, I'm sure we've all seen this. This is just a copy of the 2010-12 plan. And then they usually make a recommendation on if these things should be in the budget. Again, this is an opportunity for the Finance Committee to be part of that discussion.

The budget then is submitted to the supreme court and along with that, Debbie usually writes a memo that says this is what PPAC recommended. They say that it's consistent with the plan or have other ideas. You may recall a discussion that we had just this last year on the biennial budget about the level, amount of money. Let me rephrase that. The magnitude of how we should redo the aid to the counties. There were two ideas coming from PPAC and actually it was pretty much split right down the middle. We could go for a very grand plan and redo the formula and increase the funding to the counties or we could go for a much more modest plan knowing the financial situation of the State and the likelihood of things making it through the budget process. That was something that Debbie would have documented in this memo so the court knew what the discussion was before they made the final decision on what we should include in the budget. So that was a good example of something that was really not clear cut on what direction to go, but when the court had it, they would have that benefit of the PPAC's discussion as it relates to the strategic plan and the likelihood that these are good ideas. Again, I think we would modify that to also, if the Finance Committee had a separate or consistent message from that review, that that message would also be included in that memo so the court would have the benefit of that information also. We could do that in a number of ways; a separate identification of that or a joint type of arrangement.

The court then approves the budget in early September and then on October 1, right around October 1 every year, we would then submit our biennial budget to the Department of Administration and the Fiscal Bureau. So that is, and then as kind of an administrative follow up to that, then Debbie would put together an informational bulletin for everybody in the system saying this is what was submitted and these are our biennial budget proposals and that goes out systemwide just like we started the process with all those folks asking for their ideas, we go through this process over a number of months and then at the end, in early October, we give them kind of closure on it that the process has yielded these ideas in the biennial budget.

(22:15)

So that is based on our discussion and then looking at, like I said, looking at Utah, you will see the flowchart that they have, is somewhat similar. It starts in the AOC, which is the Administrative Office of the Courts, they have input from folks, they have a program manager who reviews it, they have a board of judges or council committees, I think is probably similar to PPAC in some sort, then we have the state court administrative review and analysis and then, what they have in Utah is a judicial council. Their judicial council really is the overall policy development body for the state so just as in our State, the supreme court is the overall policy decider, in Utah, that doesn't happen. The supreme court doesn't play that role, but this judicial council does. So it would make sense that they would also have the ultimate decision on what is in their budget. So and then you will see, it's very similar to how we do it. It goes to the ALC

Finance Office, which would probably be similar to Debbie, and then it goes to the legislature and governor, the legislature then approves it, and then we'll save this last step because that would really be similar to our operational budget, which would be this annual budget plan that's on the flowchart.

So I guess I'll stop here before I go to the operating budget and walk through a similar situation on how we see it might work and ask if there are questions or you have other ideas on the Finance Committee, what other things they might do or what role they would play at these various steps, I can maybe answer those before we go to the operating budget. Otherwise, I can just go and close the whole process up by moving to the operational budget.

(24:13)

PDR: Are all the requests that are submitted

SSA: Just speak up. Speak in the microphone.

PDR: Are all the requests that are submitted early on in the process requests submitted either in writing or by email?

VOELKER: They're all in writing, one form or another, usually by email probably.

PDR: Would it be possible to, I don't know how you deal with them, but to put them in some kind of a packet and to distribute them to the members of the Finance Committee so that they have an underlying understanding of what's been suggested so when you get to the point of simply being briefed, you can see how, what things remain, fit with what was initially suggested?

VOELKER: Sure. Let me just look, this is my biennial budget book, which as the process unfolds I put a variety of things in it. Just as an example, this is the memo I got from Deb on May 24, which is right when we identified it. We talk about some suggestions. In this case, we had 16 suggestions for the year. So that and we usually get, I would say, depending on the year, we may get 20, we may get a little bit more, but that's about the extent of the input that we have.

SSA: If we get that many. Many a year we don't.

VOELKER: Right. And for instance, a couple this year, the project auditor position to permanent, which we know we proceeded with. Some things that, tuition reimbursement program for people to potentially further their education now, we didn't pursue that, but that is an example. It's easily done. Debbie usually does a summary of what comes in and that would be totally consistent with how the process works.

SSA: And I believe that when the court got the budget materials at the August, early September, there was a list of what we didn't put in the budget.

VOELKER: Yes, that would have been included and we would have included it, at least in that initial discussion with PPAC Planning of what was the broad submission versus what we were coming with to PPAC Planning. So you can see the difference and identify if you agreed or disagreed on the ones that, at least our initial assessment were either not biennial or not

consistent with the strategic plan, which is what we're suppose to be looking at or maybe just totally unfeasible just due to the extreme costs or something like that.

SSA: It costs too much money.

VOELKER: Yes. So that list kind of tags along the whole process, once it starts, but we can easily do that.

PDR: Yes. I was thinking about the proposal so you could kind of get a better idea about what they were talking about.

VOELKER: Yep. So in this case, this last year, we had 16 things.

(27:19)

PDR: Are there any changes to the biennial budget that don't come through those kind of written changes that you get? That we put in internally somehow?

VOELKER: Nope. Internally, as far as, we ask everybody for ideas. So for instance, if you look at this list, Management Services has probably five, six, seven of those ideas.

SSA: We turn those down automatically, right?

VOELKER: Yep. We turned those down automatically. We include that as anybody's ideas just because you're a department head doesn't give you more or less authority to get something passed. They just get put into the mix with everything else. Yep. Nope. Nothing gets added along the way unless either PPAC Planning suggests a change or the court decides to add something at the end discussion that we have before it's approved.

PDR: Thanks.

SSA: I'm trying to think if there's been a proposal by the committee of chief judges or PPAC that entered into it and I can't think of any that didn't sort of start out in the first stages because they would have brought it in there.

VOELKER: No, I don't think any new ideas kind of pop up. I think things are tweaked. The best example is this proposal for aid to the counties. I mean we talked to the Chief Judges about it at one of their meetings. We had a discussion about the pros and cons and their insights. PPAC talked about, PPAC Planning talked about it, and in the end, we talked about it again with the court. Really that was, the policy decision was kind of agreed upon that we should get more money to the courts, I mean the counties to operate the courts. The real question was politically and practically what was the best way to accomplish that and basically we accumulated all those different ideas along the way, and then the court made the ultimate decision on which way to go.

SSA: I would say the theme increasingly has been over the years to involve more people in the budget discussions. That is, more people invited to offer proposals, more people discussing the proposals offered, more input as we go along.

VOELKER: I think we have tried to encourage that the best we can. I think we battle some perception that no matter what I tell you, it's probably not going to get in anyhow because there's no money so people don't take the time to do it is sometimes what happens that people, especially judges, they think well, what idea might I have just day-to-day stuff that I might propose as a biennial budget, but we've had some really good ideas from some judges when they've took the time to forward them. Nothing that hasn't, I'm just looking at the list here and a good example of sometimes what can happen is Office of Lawyer Regulation identified that they might need a new position, but because their budget process is a little different and because their program revenue and appropriation, they can actually use a different process to get that position approved, that's quicker and sometimes easier than going through a full biennial budget process, so we might, probably at that point, advise them that this looks like a good idea, but you're better off using a different process than following through the biennial process and was taken out at this juncture. So those are some of the different nuisances that can happen that result in things. I just looked on here and someone wanted to do a judicial independence video so that was kind of small enough that we're not going to do a full fledged biennial budget request for that so we talked to them to figure out what exactly they were looking at. I think they were going to talk to the Bar about doing that, but I think it kind of fizzled in the end.

(31:36)

BROWN: Just for your information, in the past, before the advent of this committee, the way the budget was formed was pretty much the way it seems to be going here and that is that I as the Chief Judge meet with the Court Operations people and, I believe the Chief Justice, and discuss possible additions to the budget, possible ideas and then there is kind of a (NOT AUDIBLE) as to whether or not it's viable and then if it's viable, it goes forward. How does the Finance Committee come into play in that? Does it come into play after the initial decision is made to either accept or reject an idea or does it move forward to the Finance Committee?

VOELKER: No, it would, in that case, if we had ideas from the court of appeals, on big picture biennial budget things, it would first get to the Finance Committee when it got to PPAC Planning in late May. And then we always meet with you, as you know, Management Services, once the budget is passed to talk about the operating budget so we actually have, get two forms of input. One, big ideas that you think should be included and then our meeting on the more detailed stuff about what your operating budget looks like, etc. But if it's a biennial one, idea, and we get in this timeframe of March when we're asking folks for ideas, the first time Finance would get it is when PPAC Planning would get in late May.

SSA: Including those that were rejected.

VOELKER: Including the ones that were rejected.

SSA: That's what Judge Brown is asking. If the court of appeals wanted something and it didn't pass through the first round, it would come again to PPAC Planning Subcommittee and then it would come before the Supreme Court Finance Committee and as you know, the court of appeals has the right to go right to the supreme court and say we want it in the budget and it's not there now.

VOELKER: Primarily what the court of appeals, because it's a sum sufficient budget, the big thing in the court of appeals that might really be identified early in the process is something to do with position authority. So if there's a project that you want to do or the workload that you need an additional staff attorney, or law clerk or whatever it might be, we would want to identify that in this mid-March area to do that. Otherwise, on supplies and services, because it's a sum sufficient budget you have a little more, now we always set the number, we stay within it, but we have a little bit more play there, but the things that would be there would be anything that would require position authority because we need to get that through the biennial budget. And that's a big thing. A lot of times when ideas are put forward it really talks about, if it's not an aid program like we talked about with the aid to the counties, a lot of discussion is about positions and over the years, positions are usually associated with ideas. Interpreter program. We have a very strong interpreter program in this state. It's because the court moved forward on position authority to have an interpreter coordinator. So the idea might be to have an interpreter program, but it comes that we need someone to run it. That would be a good example of something like that. The auditor. One of the things that's in the strategic plan is we want to know is really what the overall system costs to run, not just what we're paying at the state level, but at the county level, what does that cost? PPAC had a financing committee back in 2004. They made a suggestion to PPAC as a whole. One of the follow-ups from that whole idea of PPAC saying we need to know how much this system costs. We know half of it. We don't know the other part so if any point in time, the legislature comes to us and says we would like to pick up more of the court costs, if we don't have

PDR: That's a dream you're having. (chuckling)

VOELKER: I know. But for instance, court commissioners. If someone said it makes sense that court commissioners are funded by the county, it creates this dichotomy, it's hard to administer (TAPING GLITCH 36:23) statutory difference between state funded and county funded, one of the things in the PPAC Financing Committee, they kind of laid out a blueprint on if you were to phase in additional county costs into the state costs, what would their priorities be and how would you go about it based on practical experience and ease of implementation. And one of the first things is court commissioners, but at the point in time when that came out, we had no idea what that cost might be. In my dream, the legislature comes to me and they say we want to pick up court commissioners because we think it makes sense, how much does it cost? Just tell us what the check should be and if I can't say what the check would be, or if I say a number that's too low and then the next year I say, ooooh, I was off by a couple of million dollars, probably their response would be, well, that was your fault. That's a good idea, it's a good illustration about PPAC talking about long term goals of the system, knowing the costs, knowing how to be able to manage those costs, having an idea, moving into a position which had to go through the biennial budget, which was discussed about the pros and cons of having that position. We started with a project position and then this past year, we moved ahead and asked the legislature to make it permanent because we want to continue with that because we've only audited 30, 40 or whatever number we're up to on the counties. That was a good practical policy decision on which direction does the system want to go. We need a position to do it. It follows the biennial budget process to have that discussed and then it ended up that the court decided to move ahead and thankfully, the legislature also decided to move ahead.

If, primarily back to my original point, usually for the court of appeals, it's going to relate to some type of position authority at this early part in the process.

FOUST: Let's say in early April, 20 proposals are sent to the budget officer. You and the Chief meet in mid-April and say 10 should go forward.

SSA: Well, we meet with the people.

FOUST: Those can submit detail proposals to the budget office in late May and then in late May, PPAC Planning and this Committee, do we talk about the 10 or do we get briefed on all 20?

VOELKER: You get information on all 20.

FOUST: Okay.

VOELKER: You're going to have more information on the 10, but you will get information about all 20.

(39:02)

SSA: The other 10 never disappear. They go to the supreme court too and in the memo to the court with the budget, it says and here's ones that didn't go through and they're all listed as such. If it goes beyond that first meeting, then it's not like Deb says you've got to do all this by yourself. She meets with the people and works it up. So if you need an extra person or if you need money for a particular thing, then she'll work out a tentative, if it's a person, then you have to show how your workload increased, well, you've seen this. Your workload increased, that the present people are not enough people to do it, there's a backlog, blah, blah, blah. It's a justification for the person. If it's a project, then it's a justification for the project. If it was judicial compensation commission, there would be a justification of why a compensation commission will function better not only for the judges, but for the state, in regulating or providing for additional compensation to judges. So there's a policy justification concept and a money justification concept. Deb works with whoever is on it to make sure it gets done because a lot of people are not going to have the staff to do that.

FOUST: Thanks.

VOELKER: The reasons they usually don't move forward is that they're not a biennial budget item because they are too small or the example of OLR, there's a different process to deal with, that the biennial budget process wasn't the best way to do it.

Any other questions on the proposal about how the Finance Committee might get incorporated into the existing

SSA: Does anyone see any other places where it should be incorporated?

PDR: Well, I had thought about doing it earlier so the Finance Committee had an understanding before they were briefed and that's why I asked John if we could have copies of what was

submitted. And I think, at least for me, that would give me a foundation on which to build further information that was provided. I think you almost have to try it a while and see if it's working or not.

VOELKER: Yes. If it's beneficial, you're getting the worthwhile information.

SSA: One of the things though that seems obvious to me is that there are five people, all of whom have very different calendars. They have the supreme court calendar and personal calendars. You've got your trial court calendar. Bill, your Chief Judge calendar, your personal calendar. Rick Brown, has his court of appeals calendar and his personal calendar and so, any place that you show the Supreme Court Finance Committee, that date has to be done in advance, far enough in advance, as a particular day because you have people on the PPAC Planning Subcommittee who have their own work calendars and personal calendars and it's taken us since August to get this group together. I think I submitted some August dates and they just didn't fit until today to get all five of us here. So these dates, to make them work, will have to be set early. For example, if you're meeting in late May in 2012, I mean that's a little late for this year because the court already has its calendar for May of 2012. It doesn't have it for July and August, for example, and it doesn't have it for September, we can fit those dates in, but they have to be done far enough in advance so that Bill Foust and Rick Brown and the rest of us know what day we should leave open.

VOELKER: The good news, I think, the nice thing about this plan is we're required to kind of do that with PPAC to. Way in advance because we have a number of judges' calendars to make sure we get on and the planning committee and the subcommittee of that have their dates pretty well in advance. I think that will not be hard to accommodate because the process is generally the same every year, the staff to PPAC know that and they set the meeting dates pretty far in advance.

PDR: Is date set for PPAC for next spring in 2012 (sic) already for that?

VOELKER: It may be. I don't know. I would have to ask Shelli.

PDR: Okay.

SSA: To the extent they are, you ought to circulate them to everybody so that we know.

VOELKER: I'm sure PPAC has probably already set.

SSA: The Planning Committee already has dates out, but I don't know what they are.

VOELKER: I'll find out on Friday. The Planning Committee meets on Friday.

(44:55)

MJG: Kind of going off of what both Judge Foust and Justice Roggensack indicated, I would be interested in seeing all of the requests prior to their submission and then whether we meet as a group prior to the determination, rather, that had been made, in the manner that had been made, I think it would probably serve the function of this Committee, and I know that it would help to

keep me more informed, if I knew of those requests prior to the initial determination as Justice Roggensack was indicating and then if we wanted to meet or have a discussion by email, I think that could be arranged as well, but something so that we don't feel like we sort of learning about something after the fact that we could have the input prior to the initial determination might be something worthwhile.

VOELKER: Justice Gableman, just to work off your idea. Submission of the ideas themselves after Deb gets them, documentation, in this case, early April is what you're proposing.

MJG: Yes.

VOELKER: Okay. We can make that change. Anything else on the biennial budget process before I switch gears to the operational?

PDR: Just so my mind is clear. We submit the biennial budget, then the legislature looks at it and they tell us what we actually get.

VOELKER: Yes.

PDR: Once we've gotten to step 2, that's when the operational budget planning begins. Is that right?

VOELKER: Absolutely.

PDR: Okay. Thank you.

VOELKER: Exactly right. Similar to, just like Utah, you can see the legislature and then it goes to an appropriations bill and then the annual budget plan is put together. That's exactly how it happens here in the State too, and just for, so this is Utah's annual budget plan that that discussion happens on. After the appropriation is identified. This is their, this is kind of the summary of their process which is the flowchart you have comes from that.

PDR: Right. I think you gave us the whole thing some time early in June or something I have.

VOELKER: Yep, I did. Okay, let's talk about the operating budgets and just like Justice Roggensack identified, once the budget has been through the legislature

SSA: Just so we complete this. The change we've made here is that the original memos that we get in one form or another proposing budget matters will be submitted to the entire Finance Committee. Right?

VOELKER: Early April, early to mid-April, the list of whatever was submitted

SSA: Will be sent out.

VOELKER: A description of that will be sent out.

SSA: Right.

PDR: Why don't you just send the submissions, rather than the descriptions?

VOELKER: It would be easier. Yes.

PDR: Yes. There's no reason to give yourself more work.

SSA: Then the thing to do is to also send to the Finance Committee what survives.

PDR: Right.

SSA: Now that may differ because they may be knocked out at different points, but ultimately, what survives. Okay?

VOELKER: Yep. They would get that naturally because of the next step, because PPAC Planning

SSA: It should tie back in because otherwise we have to make the tie in ourselves. Okay?

VOELKER: It will.

SSA: The other thing is to advise everybody of the dates that you've got set in here for the PPAC Planning Subcommittee, that's late May, for the late July meeting, the first week or second week of August, whichever one of those is a meeting. Okay?

VOELKER: Yep. I will check if those dates are set.

SSA: Check that those are the dates.

VOELKER: All right. Moving to the operation.

SSA: And then I would suggest when it goes to the supreme court, you, as you have done, put in the full slate of suggestions and which ones that have passed.

VOELKER: We would continue to do that.

SSA: You continue that.

VOELKER: All right. The annual plan

(49:55)

SSA: Now wait a minute. Just a minute. The purpose of this meeting is to report back to the court because the court hasn't set up what this Committee should do yet. What I'm hearing from the Committee is that this is what, at the moment, you can change it, your plan is for this subcommittee, I'm sorry, for this Finance Committee to do as to the budget and that's what's your proposing to the court.

VOELKER: Right. I thought the discussion today was to kind of get an idea

SSA: I just want to keep it focused so that when you write this up for the court that's the focus.

VOELKER: Yep. We've taken the revisions discussed and write it up into a new proposal similar to this one.

PDR: Actually, I thought that your chart that you put together for the two budgets was very helpful because it was step-by-step, so maybe you could adjust the chart.

VOELKER: Good idea. Yes, when I sat down and we started having this discussion, until I got to the chart where I could best describe it. Now the chart is going to be a little more helpful, I think, in this operating budget because we have kind of this dual or different things going on here. Because we have medical mediation panels who have to submit information to an outside group in order to get their money and OLR, who obviously we know have to submit information to the Bar in order to get the assessment set, as well as BBE. They kind of have a little bit different setting of their operating budgets, because the time requires that to happen that way. For instance, usually late December, early January, help me, Deb. Who wants the information? The compensation, the patients compensation fund actually is money that gives us the money to operate medical mediation panels. It's there. We have to give them what we think the preliminary operating budget might be so they set aside enough money to provide to us. And really, it's not that difficult because the statute actually says they shall give us what we ask for. Now, from year to year, we have to have a reminder that the word "shall" means what we ask for, what we should get, but generally the process has worked. Because of that, we have to work on MMP's operating budget early, which if, this was a big department and big proposals, and a lot of different things going on, that might be a little bit more difficult considering the timing, but MMP has basically had the same role for a long time and has had the same number of staff for a long time. They know based on caseload what it's going to look like and what would you say (looks to Debbie for answer), 90% personnel, probably, and we pay the people that sit on the panel. We pretty much know what the operating budget is so it wouldn't cause a big problem. We put that together so we can communicate with the Board of Governors of the Compensation Fund.

In January, now everybody right now does it a little bit different but I ask the department managers to have an annual plan of what their goals and objectives are. It will change. You saw a little sample of what Management Services' plan looks like in the materials and I think that's the idea we're having for future departments to follow. But right now, they're not totally consistent, for instance, this would be CCAP's plan because we're required by the legislature to give a strategic information technology plan to the legislature. So we have to do it. So everybody has a little bit different way of doing it, but the bottom line is each department should have documented what their goals and objectives and general activities are going to be for the year.

We're also proposing at this point, the Finance Committee gets sent the preliminary operating budget of MMP because we just identified that in December, we would send it to the Finance Committee to review before we send it off to the Board of Governors. Now, this is where we've taken an idea from the legislature is that the Finance Committee often requires people to report back to them on how to spend money or the approval to spend money during the biennial budget process. They'll say, okay, we're going to give the Department of Administration \$100,000, but

before we give you the \$100,000, we want you to document X, Y or Z. At some point during the process, DOA may send to Finance and say, we're requesting our \$100,000. The process that Joint Finance uses is if no member of the Committee asks for a meeting for a period of 14 days, then it's approved. Nobody has any objection. They have the information they need and it moves forward. Because we think that might be effective in some parts of our budget because there may not be the need to meet, we're trying to incorporate that into the Finance Committee. For instance, MMP's preliminary operating budget is very basic, there's not a lot of controversy, there's not a lot of change, so rather than asking you guys to clear another date in January, we would send out the information and say in our case, we want to make sure we're timely with the Board of Governors. If we're using a 7-day review process, and if there's objections, we would set a meeting. If there's not, we would proceed with the budget. You'll see a little bit of that idea through this process.

(56:02)

PDR: John, before you move on. If you just have a question about something that might be simply answered by email, can you do that rather than asking for a meeting?

VOELKER: Sure.

PDR: Okay.

SSA: If you send it to the entire Finance Committee when someone else may have a problem and all the answers are set.

PDR: Oh sure.

SSA: But the reason for the 7 day, why can't we have it 21 days? Or 45 days?

(56:27)

VOELKER: The idea is that a lot of our deadlines need to be timely. What we're talking about when we put this together is we want to provide information, have meetings if necessary, but not have meetings that aren't necessary to try to get those on the calendar we'll make sure people have the information to decide if a meeting is necessary.

PDR: Seven days may be short if people are not always

VOELKER: It might be a phone conference. It might be a 10-minute phone conference that says I have these questions. Oh, okay. That's the answer. Let's proceed. We were just looking for a way not to burden too many meetings but make sure people have the information and then be able to ask for a meeting, if necessary. If it was a big enough issue.

So then in February, Debbie works with BBE and OLR to develop their preliminary operating budgets and the idea is that they are so much further ahead than our other departments is, we need to set that assessment for the Bar. Because the bills go out in May or June or whenever they go out, they need to have that information, the Bar does, in order to have a discussion with their Board of Governors, etc. We have to ask BBE and OLR to really work with their boards,

give them enough time to work with their boards in order to get a proposal. Now, the court already sees that. I mean this is actually a little extra step with the Finance Committee because you guys usually see, I mean the supreme court sees that proposal before we send it to the Bar now. This actually is a little bit of a added meeting I think, but, again, we want to keep the Supreme Court Finance Committee in the loop and again, we're setting the operating budgets and the proposed assessments under that review process.

SSA: These monthly, these months may be not quite right because OLR and BBE have to get approval first from their respective boards before they come to the court.

VOELKER: Right. This is when it's usually done.

SSA: And, well, sometimes we don't get it until quite late. I mean this is not written in concrete because the OLR Board and the BBE have to approve it before we see it.

VOELKER: Right. And that generally happens about March. And then the Finance Committee would see it under that review process prior to that.

SSA: But not prior to BBE or OLR.

VOELKER: Correct.

SSA: Okay.

VOELKER: It's the draft operating budgets and the proposed assessment

SSA: As approved by BBE and OLR.

VOELKER: Correct. Although maybe we want to talk about that because if they're setting it and if there's any input you want the board to think about

SSA: Well, who knows it better than the Board. I don't think we're in a position to do that.

VOELKER: The BBE and OLR budgets get approved by the court, we send that information to the State Bar so they can set the Bar assessments, that gets sent out. June 30 is the close of the State fiscal year. That's important when we're talking about the operating budgets because we need to close out the year before we can talk about what next year's budgets might look like. We will look at all the accounting records as the books are closed so we can look at each appropriation, see how people did on their budgets. Did they go over? Are they under by a lot? Etc. We need to have some basis on which to start looking at the next year's operating budgets.

(1:00:26)

This is where it's a little mucky too as far as not setting in concrete. Now this year, it was perfect for budgeters like Debbie, the legislature and the Governor all did their jobs timely and we had a budget by July 1. We knew what we were working with as far as our overall appropriation. We've had years where the budget has been approved in October. That adjusts this timing is the only reason I tell you that. If it's done before the regular start of the fiscal year that makes it

easier for us and if it doesn't, we just have to delay the setting of our operating budgets so we know what we're working with.

Late August, we will have all the information officially closed by DOA and then that's what we then start basing or reviewing operating budgets. That's happening now. Deb has probably, in the last few weeks, had meetings with some departments about this, that or the other thing related to their operating budget. How Debbie does it is she sits down with each department head, as well as sit down with Chief Judge Brown and we look at what did we spend last year? What are our numbers? What's our appropriation for this year on various line items? What are issues of concern? Were there ideas identified in the budget process early on that weren't biennial budget items that were rejected, but should be thought about to incorporate into operating budgets? Do they have any input, or any effect, on what those operating budgets might have to be? Are they incorporated into it? What Debbie does is, the process usually is we look at all the line items from one year to the next. And the real discussions are what significant changes are there on any of these potential line items? Then we say, oh, there are significant changes. What does that mean? Do they need to be set different? Some of the standard easy ones are we know our lease says the rent is going up 3%. The fixed costs are relatively easy to figure out. Squishier ones are postage. Postage rates may go up so we may have to adjust for that, but sometimes we have less postage, etc. At that point, once Debbie has met with folks and they've identified what their operating budgets might look like, we are proposing that the Finance Committee then review that and that would be a brand new step in our normal process. What we are proposing it might look like is Attachment C, I believe in the materials, is a sample example really of how we would envision this. I'll get to those other tables in a minute. We envision kind of a two-prong discussion in the Finance Committee at this point. The number one part is overall, and I'll get to that in a minute, and then number two is really individual to each department. We would ask each department to have this type of format plan put together. Attachment C. It is toward the back.

PDR: I have a different Attachment C.

VOELKER: Sorry, it looks like this.

PDR: Ok.

SSA: It's the last couple of pages.

PDR: Ok, got it.

SSA: It's the last three pages.

VOELKER: So when, this would be individual to each department. We would have a summary of their GPR, their program revenue as well as any federal grant funding that they would have. It would list, now this is only the first page or so of Pam's, she's got more goals than this, but we didn't put whole plan in here. What the overall goals for the department, what their major activities are in relation to that and then in addition to that, specifics on goals and activities, you will see previous pages is kind of the overall summary. The Finance Committee would see the big picture as well as the little picture. The big picture is talking about, as you identified Justice

Roggensack, our overall appropriation authority, where we spend our money, our total budgeted expenditures.

SSA: I think that's page one of eight.

VOELKER: Right, there are a variety of attachments on that but just to give, then you will see in your materials we do it for each department specific. Court Operations, Management Services, the DCAs, CCAP. CCAP is split actually between GPR supported and program revenue so you would look at that. So you'd look at the big picture and pretty much these are, in an operating budget, are standard categories. Pretty much every operating budget looks like this. Primarily salaries and fringe benefits to then the variety of things, from professional services, travel and they all vary a little bit depending on the department, but those are our standard. So we look at the big picture of what the numbers look like and then our idea is then we would look at the more detailed picture of each department so you'd understand where that money was going to and what it was supporting. For instance, in this case, the first one is "Goal 1: Implementing PeopleSoft." So obviously that was a big deal. It cost, as you know because we have had discussions, some money to do that and we would look at those and the committee would look at that and discuss those operating budgets before we set them for the departments.

(1:06:46)

VOELKER: So that meeting as identified here would happen right about this time of year, September to October time of year, assuming the budget has been passed and that we know our position authority and appropriation authority. So we think that would be a good timing with that because one, we have all the information and then we put it in the standard format with the goals and activities, as well as the big picture money so you would have both the big picture and the more detailed picture of what each department/operating budget was up to is the idea there. This format is somewhat similar to what I saw Utah use as far as the summaries, goals and objectives. That's where that came from.

(1:07:40)

VOELKER: Then through the remainder of the fiscal year Debbie spends a fair amount of time over the year of keeping up to date, looking at people's appropriations. Judge Brown is shaking his head yes because he's probably got calls from Debbie asking what's going on with your postage. She will monitor that. What we identified is, going back to that 7-day review process, so if there's changes, significant changes to the operating budget because something big has changed or someone comes up with a new goal with their, this plan that has come up, had an opportunity to get grant funding to do this project. So now we want to have a goal to do this. Well that would require, since it is a change, we'd use the 7-day review process, say, this is the proposed significant change, does the committee want to meet and talk about it? Again, using the model that the Finance Committee, the Joint Finance Committee, has used when departments make changes or ask for additional appropriations into their budget.

We are trying to balance between getting too much details but making sure the Finance Committee knew the overall activities of any department within their operating budget, as well

as somewhat the big picture with the accounting graphs, I call it, or the accounting charts that I submitted with those.

That is how we envision how the Finance Committee could play a role in the operating budgets setting and we would have to make, in order to make this proposal work, we will have to have our departments go to a more standardized annual planning process to make sure we are getting a very similar format so everybody can, it is easy for the Finance Committee to compare and contrast. Right now, I will talk to the department heads and we will go over as part of their annual evaluation process the goals of the department, but not always as Pam does, in a very nice and tidy documented goals and objectives-type of document. Pam has always been fantastic in making sure that is done that way. To her credit she sits down with her staff and they have their own mini-strategic planning within their department and say what do you guys see as issues? What do we need to change? What's happening? And as a group, which is nice because we have buy-in of all the staff in the department or at least they have had input on what the major issues are in the plan. Then when we get to implementing PeopleSoft when they are crazy with work, they're going to say whose idea was this and they'll say "yours, of course. You were part of the process." Pam has a good model that we would then have to carry over. We wouldn't be able to have this exact format tomorrow if we were going to meet on the operating budgets, we'd have to mix and match things. But starting in January, if we were to proceed this way, I would require all of the department heads to move in this direction so when we got to next October, everything would be standardized. So that would be an operational change for a number of our departments. I think having a standard format so you understand the information is important to folks that don't look at the tables every day, or see the numbers every day. That was the idea for coming up with this proposal here. That sums up the approach that we would see the Finance Committee playing in setting those operating budgets.

(1:11:30)

SSA: Any comments?

PDR: I would suggest that the 7-day gets changed to 10-days because then you've got time during at least two weeks, otherwise, you end up

VOELKER: That's fine.

PDR: you know, it's a little bit short.

VOELKER: We started with 14 because that is what Joint Finance uses but sometimes we were worried that 14 might be too many but 10 is probably a reasonable efficiency number for us. And we'll do that for all the different parts. That process is identified at various points in the process.

PDR: When you do that I assume that it will come through email. That we will get this electronically so you do not have be running paper around.

VOELKER: Ya, sure.

PDR: Can you also mark it as, you know one of those things you put on the e-mail that says you should look at it right away, there's some icon. There's some little thing that you put on. That would be helpful too.

BROWN: Are there going to be email discussions going on between the members of the Finance Committee as we go through the process?

VOELKER: As we implement it you mean? Once we would implement this you mean?

(1:12:50)

BROWN: Yes, as we go through the implementation, is there a specific issue that the members are unsure about or have questions about or have disagreements about, is there going to be an email discussion? How do we do that?

VOELKER: I think, in my mind, I would say that anything that needs clarification can probably be handled by email. Anything that might require more of a decision to change or modify, probably we either should do by phone or in a meeting as opposed to having a decision via email. I guess, I mean, loosely, I would think, we don't want to have too many meetings, but if it requires some discussion, I think sometimes that becomes hard on email. But if there's a clarification, does this number really mean there's an x percent increase over that and why, versus something that may require more discussion. Phone conference. Something that may facilitate the discussion more than email because sometimes email can be very good about clarifying things, but sometimes when you want give and take about an issue, it's sometimes hard to do via email.

SSA: If any one person wants a discussion, it should be had. So if there is a "clarification by email," but you want it discussed, we should have a discussion. All members of the Finance Committee should be advised of a time. Hopefully, we can clear a time where everyone can be present and if you don't make the phone call, that's tough luck. But everybody has to be advised of the phone call.

VOELKER: I should point out with Joint Finance, I think I'm right on this, Debbie. It just takes one member. There's not like a majority of people want to have a meeting. It only takes one objection. Not even sometimes an objection. Somebody wants a more thorough discussion about it in public as opposed to just letting it pass. I would think, we're proposing the same approach here...just one member says I think this is worth discussing, we set something up and then decide if it's by phone or in person, etc.

SSA: It might be good for each member to indicate what's ordinarily a prime, good time to talk, like 7:30 in the morning, or 8:00 in the morning, or 6:00 at night. If we have to have a session, it doesn't mean you're going to be ready that particular day, but it gives us an ability to reach people. And since we're scattered geographically too, I think that becomes important.

VOELKER: More geographically once, it just so happens we have a Dane County judge as the Chief. I mean we could have someone from Ashland as the Chief of the Chiefs coming to Madison for a meeting is more than a day off your calendar for personal meetings.

(1:16:16)

VOELKER: That is all I have to propose on how we might structure this approach.

(1:16:22)

SSA: I've only heard comments about moving 7 to 10 days. Are there any other comments?

VOELKER: My idea is that we change that 7 to 10 for all the places that we have in that process.

SSA: I've got three places marked on your chart.

VOELKER: Not just on the operating, but for both.

SSA: January, February and then throughout remainder of fiscal year.

VOELKER: Ten days. And then the change on the operating budget is the actual submissions, overall submissions to Finance Committee right after they are submitted after the deadline.

(1:17:09)

PDR: In that little outline that you set up, I think you said that Pam set it up.

VOELKER: Her annual plan? Yep.

PDR: If I were trying to figure out how a department prioritized what they thought was important in their budget, that's what I would look at. So the first goal would be the one with the highest priority, is that the deal or not?

VOELKER: Not always. I think in this case that was definitely true. I mean that was the number one, Management Services got one thing done in a year, getting PeopleSoft successfully implemented was it. I think in some other departments it may not be as clear cut. For instance, looking at Judicial Ed. Dave does a really good job in his operating budget of saying here are my programs for this year and here's what I need to spend on each one because I know from past history some years we have law and humanities, sometimes we don't. He does a good job and he may list them all and I don't think any one would be a priority. He needs to do a Judicial Conference as much as he needs to do criminal law and sentencing. I think generally that's what we would ask the departments to do, but sometimes maybe after the first one it might, they all might all be kind of even, but they want to make sure they get them all done.

SSA: Some appear to be ongoing throughout the year. It's not like it's a one shot and it's going to be done.

VOELKER: In many departments that will happen, especially in Court Operations where we have a staff person that staffs PPAC and staffing PPAC and committees will always be part of Court Operations' role, it's just a matter if that staffing is going to require more or less assistance in any given year might change. A lot of our departments, I mean, Judicial Ed is a good

example. It's tweaked by which programs may be up, but generally between that and then the bench book funding, which is really funding meeting costs, they're pretty stable about what comes up every year. The facility might charge more or they might spend a little more on a speaker, but generally from year to year, a budget like that is pretty stable. Court Operations, again, they're pretty stable. Where the priorities come into play primarily, at least over the last few years, is when we've had required lapses. It really was a matter of if there were positions open, what they were doing. Is that a priority? Or is that a low enough priority that we can keep that position open? Or by keeping that position open for two months, we could still accomplish our goal, but we can afford to have it open for two months. That's where the discussion of priorities, unfortunately, has been for the last number of years is how can we deal with the lapses and what it means to our goals as opposed to what we're adding money to. As I always tell people when I work with folks on strategic planning, if we had all the money we wanted to everything we wanted to do, we wouldn't need to do planning because we would just do the stuff. When we do the plan, we use it to say, well, we have a limit and this is where the limit line is drawn and this is what we can afford to do. That's primarily how issues, but I think it can be prioritized, but the departments will vary.

(1:20:48)

PDR: This format is really good because it talks about general purpose revenues and program revenues and grant revenues so you can kind of see what they're pulling together to get done with whatever they need to do.

VOELKER: In a case like, Management Services has zero with federal grants, but if, let's say, she did have one in her department, obviously, it would list the goals of and the activities of the federal grant as part of the plan because, obviously, we have to do it anyhow. In her case, that's not the case. I think it's good for people to understand. This is especially helpful, this format, I think too, because of CCAP. CCAP has their own plan like this, we would have to change it up some, but CCAP is jointly funded GPR and PR. So those boxes, mainly PR, but we do have some GPR funds so it's interesting to understand that, especially because our GPR folks are supposed to be working on GPR projects and our PR folks and staff members are supposed to be working on program revenue and things, which include the circuit courts primarily. Jean has to do a lot of management in making sure she has the right resources on both ends in order to meet GPR needs, let's say the supreme court and my office, versus the program revenue funds which have to be used generally for the operation of CCAP and the circuits. Not a lot of people understand that but this format will allow you to get a better handle on the magnitude of each of those.

(1:22:26)

SSA: What information would the chief judges like from this?

FOUST: The chief judges have an abiding interest in trying to speak a single language between counties so they understand differences between the counties. We're talking about studying staffing levels, but different cultures use people in different ways and nobody, there are slight variations and so it's really hard to compare Florence and Dane Counties.

VOELKER: I think the big thing

SSA: So where does that get us on the operating budget or on the

FOUST: Well, the whole idea of a uniform year-to-year reporting schedule

SSA: You mean the auditing of the counties.

FOUST: Yes.

SSA: I agree with you. I think that's the key thing for the counties and for the Chief Judges.

VOELKER: I think the, from my experience with the Chief Judges, I think one thing that often comes up and I think this would help the Chief of the Chiefs being able to communicate, is when we have years of lapses, one of the only discretionary funds that we have in the circuit courts is really the reserve judge use. When we're making decisions to reduce that or how much can we reduce it, having a Chief Judge part of the discussion will then add some perspective. All that I normally hear is that reserve judges is being reduced, but I understand why we're being reduced by that much because we have these other budgets that we're comparing to and how we came up with the number of reduction makes sense considering the fiscal environment. I think that helps put it in perspective because really the circuit courts, outside the aid payments and judges' salaries, which they're going to get anyhow, reserve judges are really the primary issue in which State funds are used.

SSA: Well, they get every meeting, the usage of reserve judges, whether it's up or down and in which particular, I can't remember if it's counties or districts, I think it's districts, if I remember it right. So that's done. Is there anything else here? I'm going to ask you Rick, the same question for the court of appeals, what else would be helpful to you? What other information here on the operational side would be helpful for you as Chief Judge and for the court of appeals.

BROWN: I think the information provided, frankly, is good information. I don't have other ideas as to what I need. My concern is, as it always has been, which is that we have the tightest budget of the three tiers. We are constantly having to do more with less and we'll just have to see how the budget process plays out in this next biennium.

SSA: Yours is the tightest and yours is the one that we're the most apt to go over on a little bit, but we've been very lucky so far on that one.

BROWN: So far.

VOELKER: We've got a little remodeling project down in District II that will affect that.

SSA: Yeah, well, we'll see how that goes. Now what's left out of this operational budget is the supreme court in the sense that in the budget ultimately goes to the court and is adopted by the court. But nothing in this operational budget, has the court in it.

VOELKER: We used the Finance Committee as that avenue in the biennial process, the court has already incorporated and required to improve it. The operating budget usually has been

within the auspices of the director so we didn't add the supreme court to it. I guess we thought that the addition of the Finance Committee would do it, but once the Finance Committee meets on the operating budget, once that's been discussed, that operating budget could then be forwarded to the court too.

SSA: I think we should think about where if any place

VOELKER: I think it could right on the heels of the Finance Committee meeting. Let's see, what's the date on that? That's September, October, fall area. What we could do is have a Finance Committee report come out of that just like we have the finance and PPAC Planning kind of has their

SSA: I don't want more reports if we don't need them and you already have 31 operating budgets plus? Did I get the number right? That doesn't include the grants, doesn't include other things. I don't think we want another report. I'm thinking that the usual procedure now is if there are significant modifications to operating budgets, it goes to the court.

VOELKER: Absolutely. We've talked about PeopleSoft and a variety of other things.

SSA: So I think that has to be retained.

VOELKER: We would always retain that. That's not a change in our process.

SSA: No. But I think that your significant modifications, depending on how you're going to define significant modifications, are going to have to go to the court.

VOELKER: Absolutely.

PDR: I think your idea of the Finance Committee perhaps operating as someone that could help put together the supreme court's budget which, of course, always go to the full court might be a good idea. To me a report is easier because then I have it written, it's documented and I could look back at it later to see was it a good idea or not great idea or what. I am not opposed to a report. I would find it helpful I think.

SSA: Fine with me. That doesn't resolve the issue of what goes to the supreme court.

PDR: No, they get everything, I think.

SSA: No, they get the final word on any major modification.

VOELKER: Yes, they always have and will on that.

PDR: Yes, but some of us, like me, I have asked for a complete and entire budget every single year I've been on this court. Whenever there's a new budget, I want to see the whole thing because I personally have trouble looking at bits and pieces and deciding if I think they're a good idea without knowing what the whole picture looks like that underlies them. Maybe other justices don't feel that way, but I've got a budget for every year since I've been here. For me, it's been tremendously helpful.

VOELKER: I think if you're looking at this, as I would see it, that after the September October Supreme Court Finance Committee reviews it, there could be, the plan, there's no reason why the supreme court doesn't know what all the plans are for the departments. They could be submitted with a cover from the Finance Committee saying we've been through this and here we're moving ahead with these operational plans or point out some things of interest. Any significant modifications, I think, once the Finance Committee plays a role in it, it needs to, especially if the Finance Committee discusses it, it needs to go to the court for approval.

SSA: That would be in that last box. And it doesn't have to be the same type of modifications that come here, but they do need to go to the court.

All right, the magic minute has come. John, do you have anything else to say?

VOELKER: Yes, to kind of close it. My final plan would then be to make the modifications that we've discussed today into the flowchart-type of summary of the, and then send it to the Finance Committee. Depending on if further changes need to be made or not, it could then be ready for the court to act on without necessarily needing another Finance Committee meeting to identify the role. Obviously, Finance Committee meetings have to take place for other things once the process is approved, but for the purposes of Finance Committee meeting in discussing its role, it will depend on kind of the whole passive review thing. If I send it out and people think we need to meet again, then we probably should. If people have clarifications or it looks good, then members of the court want to take it to the court for discussion before being implemented.

SSA: Sounds good. You are going to redraft, you are going to send it to the Committee, the redraft will explain that this is the role of the Finance Committee, proposed role to the court and the court may adapt, adopt, modify, etc. Good. Job well done. Thank you, John. Does anyone have anything else to say?

PDR: Yes, I do. I wanted to thank you too. What you gave me was tremendously helpful to really get an understanding. One thing that I noticed this morning and I had asked you to send the Maine stuff around because I never did see what Maine had said and you did and one thing that I find interesting that I think at some point we need to discuss is the confidentiality that the members of the committee treat all the information that's coming to it as confidential until it gets the final God bless by the supreme court that that's their budget.

VOELKER: Yes, from my point of view (TAPE GLITCH 1:33:10) we're talking about a role and in general. When we talk about biennial budget issues, etc. as it's going through the process, that's something really no department publicly discusses because sometimes there is strategy, etc., but those meetings I think would be structured different as opposed to this Finance Committee, which is really just identifying a role. We're not talking about numbers, strategy, etc. I can draw a distinction there. I agree that when you're putting things together and that sort and as we discuss the budget with the court now, we don't do it in open administrative conference because there are various things

SSA: We do those in closed supreme court conferences.

PDR: I would suggest that we kind of follow that, when we get going.

VOELKER: When we're talking about numbers and things like, I think you're right.

SSA: All right. Any other comments? Well, thank you all for coming. Thank you for participating. We look forward to your comments on John's new draft. I want to thank Pam and Deb, whom I know have worked hard to put this together for and with John. Do you have any comments you want to make? All right. That concludes our first Finance Committee meeting. We are adjourned. Thank you.