

Legislative Appropriations Request

For Fiscal Years 2020 and 2021

**Submitted to the
Office of the Governor, Budget Division
and the Legislative Budget Board**

by

First Court of Appeals

August 03, 2018



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221 First Court of Appeals District, Houston

The core function of Texas intermediate appellate courts is to process, review, and decide by written opinion or order appeals from trial courts in both civil and criminal cases. In Fiscal Year 2017, 10,444 cases were added (cases filed, reinstated or remanded) to the dockets of the intermediate appellate courts in the State of Texas. Critical to the courts' ability to effectively resolve these legal disputes and dispose of these appeals, the appellate courts must employ a highly skilled and trained professional workforce, including appellate court lawyers and clerical staff, who assist the justices of the courts in disposing of cases and researching and writing opinions.

During the 79th and 80th Legislative Sessions, the fourteen courts of appeals worked together to develop guideline budgets under a collective framework known as Similar Funding for Same-Sized Courts. This collective approach served to streamline the appellate courts' appropriations process. In the 81st, 82nd, and 83rd Legislative Sessions, the courts of appeals worked with the Legislature toward meeting their critical personnel needs by seeking full implementation of Similar Funding for Same-Sized Courts. This initiative proved difficult to fully fund, and these legislatures could only partially fund the needs of the courts.

During the 84th Legislative Session, the courts once again sought the funding necessary to fully implement the Similar Funding for Same-Sized Courts initiative and were appreciative when the Legislature fully funded this long-standing request. The courts remain grateful for the Legislature's support in this endeavor. This funding has enhanced the public's access to justice by giving the courts the resources needed to employ and retain a highly skilled and trained professional workforce that can process appeals more accurately and efficiently.

The First Court of Appeals remains better equipped to provide quality service to Texans in the administration of justice in civil and criminal appeals because of the 84th Legislature's implementation of the Similar Funding for Same-Sized Courts. To maintain a high level of service, it is critical to maintain the guideline budgets at current levels. To achieve the Court's mission, the First Court of Appeals respectfully requests that current funding levels be maintained in the coming biennium.

ACROSS THE BOARD REDUCTION REQUEST:

While the court would readjust its strategies to work with any imposed reduction in General Revenue, a reduction of any amount would impact in material respects the Court's ability to fulfill its mission of providing timely appellate review and timely disposition of original proceedings to the ten counties in its jurisdiction. Because a majority of the Court's funding is dedicated to salaries, and because the Court has already reduced its operating expenses to the lowest possible amount, any reduction could be achieved only through eliminating positions or lowering salaries. If such a plan were implemented, the Court no longer would have the resources needed to timely process and decide appeals and original proceedings. The cuts and reductions necessitated by a reduction in General Revenue would adversely affect clearance rates, contribute to a significant backlog in case dispositions, and clog the Court's pending case docket and timely disposition of original proceedings. We estimate the court's clearance rate would fall and that the number of cases pending longer than projected would rise as a direct result of a reduction in GR.

RIDER REQUESTS:

The Courts also request the following with regard to the across the board riders found in Article IV (p. IV-39):

1. Retain Article IV rider, Sec. 4, Appellate Court Exemptions
2. Retain Article IV rider, Sec. 6, Interagency Contracts for Assigned Judges for Appellate Courts
3. Retain Article IV rider, Sec. 7, Appellate Court Transfer Authority

221 First Court of Appeals District, Houston

Historically, the Legislature has granted the courts exemption from certain limitations in the General Appropriations Act. They have also granted the courts the authority to carryover unexpended budget balances between years within the biennium. The flexibility afforded by these measures enhances the courts' management ability, and we seek continuation of these budget features.

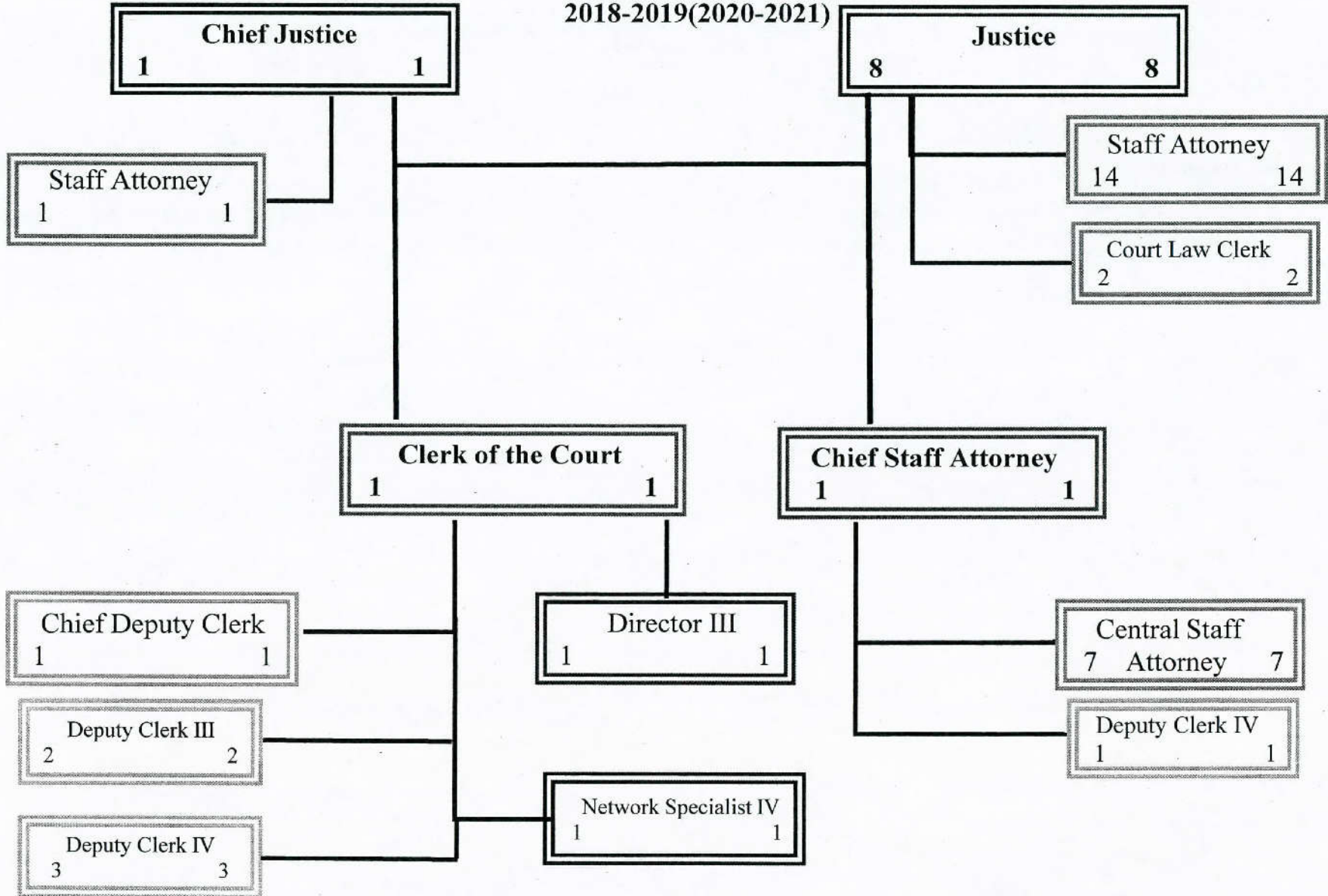
ADDITIONAL STATEMENTS OF SUPPORT:

In order for the courts of appeals to function efficiently, it is vital that the Office of Court Administration (OCA) be adequately funded. The courts of appeals rely on many of the services provided by OCA and, therefore, the courts of appeals fully support the exceptional items the OCA requests as part of its funding.

If the Legislature appropriates a cost of living increase to state employees, the courts of appeals request that all court employees be included in any such cost of living increase.

Finally, the courts of appeals wish to express appreciation to and support for the Judicial Compensation Commission and the Legislature's efforts to strengthen the justice system by increasing judicial salaries to attract and retain a strong judiciary. The courts of appeals request the Legislature implement Judicial Compensation Commission's recommendations for an increase in judicial compensation.

**Organizational Chart
First Court of Appeals
2018-2019(2020-2021)**



Budget Overview - Biennial Amounts
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

221 First Court of Appeals District, Houston
 Appropriation Years: 2020-21

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS	
	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2020-21	
Goal: 1. Appellate Court Operations												
1.1.1. Appellate Court Operations	8,760,854	8,760,854					649,100	649,100	9,409,954	9,409,954		
Total, Goal	8,760,854	8,760,854					649,100	649,100	9,409,954	9,409,954		
Total, Agency	8,760,854	8,760,854					649,100	649,100	9,409,954	9,409,954		
Total FTEs									44.0	44.0		0.0

2.A. Summary of Base Request by Strategy

8/2/2018 9:08:02AM

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

221 First Court of Appeals District, Houston

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>1</u> Appellate Court Operations					
<u>1</u> Appellate Court Operations					
1 APPELLATE COURT OPERATIONS	4,703,687	4,704,977	4,704,977	4,704,977	4,704,977
TOTAL, GOAL 1	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
TOTAL, AGENCY STRATEGY REQUEST	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977

2.A. Summary of Base Request by Strategy

8/2/2018 9:08:02AM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (AREST)

221 First Court of Appeals District, Houston

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	4,359,270	4,380,427	4,380,427	4,380,427	4,380,427
SUBTOTAL	\$4,359,270	\$4,380,427	\$4,380,427	\$4,380,427	\$4,380,427
Other Funds:					
573 Judicial Fund	267,023	273,350	273,350	273,350	273,350
666 Appropriated Receipts	34,533	8,700	8,700	8,700	8,700
777 Interagency Contracts	42,861	42,500	42,500	42,500	42,500
SUBTOTAL	\$344,417	\$324,550	\$324,550	\$324,550	\$324,550
TOTAL, METHOD OF FINANCING	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

METHOD OF FINANCING Exp 2017 Est 2018 Bud 2019 Req 2020 Req 2021

GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)

\$4,320,198 \$0 \$0 \$0 \$0

Regular Appropriations from MOF Table (2018-19 GAA)

\$0 \$4,380,427 \$4,380,427 \$0 \$0

Regular Appropriations from MOF Table

\$0 \$0 \$0 \$4,380,427 \$4,380,427

Comments: 2020-21 BLRequest

TRANSFERS

Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)

\$54,710 \$0 \$0 \$0 \$0

LAPSED APPROPRIATIONS

Lapsed Appropriations

\$(74,682) \$0 \$0 \$0 \$0

Comments: Savings due to hiring freeze (\$42,015) and Judicial Vacancy (\$32,667)

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>					
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Strategy A.1.1., Appellate Court Operations (2016-17 GAA)					
	\$59,044	\$0	\$0	\$0	\$0
TOTAL, General Revenue Fund	\$4,359,270	\$4,380,427	\$4,380,427	\$4,380,427	\$4,380,427
TOTAL, ALL GENERAL REVENUE	\$4,359,270	\$4,380,427	\$4,380,427	\$4,380,427	\$4,380,427

OTHER FUNDS

573 Judicial Fund No. 573

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)

\$273,350 \$0 \$0 \$0 \$0

Regular Appropriations from MOF Table (2018-19 GAA)

\$0 \$273,350 \$273,350 \$0 \$0

Regular Appropriations from MOF Table

\$0 \$0 \$0 \$273,350 \$273,350

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221		Agency name: First Court of Appeals District, Houston				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
	Comments: 2020-21 BLRequest					
	<i>LAPSED APPROPRIATIONS</i>					
	Lapsed Appropriations	\$ (6,327)	\$ 0	\$ 0	\$ 0	\$ 0
	Comments: Return funds due to Judicial Vacancy					
TOTAL,	Judicial Fund No. 573	\$267,023	\$273,350	\$273,350	\$273,350	\$273,350
<u>666</u>	Appropriated Receipts					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2016-17 GAA)	\$8,700	\$ 0	\$ 0	\$ 0	\$ 0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$ 0	\$8,700	\$8,700	\$ 0	\$ 0
	Regular Appropriations from MOF Table	\$ 0	\$ 0	\$ 0	\$8,700	\$8,700
	Comments: 2020-21 BLRequest					

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221		Agency name: First Court of Appeals District, Houston				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
<i>RIDER APPROPRIATION</i>						
	Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$25,833	\$0	\$0	\$0	\$0
TOTAL,	Appropriated Receipts	\$34,533	\$8,700	\$8,700	\$8,700	\$8,700
<u>777</u>	Interagency Contracts					
<i>REGULAR APPROPRIATIONS</i>						
	Regular Appropriations from MOF Table (2016-17 GAA)	\$42,500	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$42,500	\$42,500	\$0	\$0
	Regular Appropriations from MOF Table	\$0	\$0	\$0	\$42,500	\$42,500
	Comments: 2020-21 BLRequest					
<i>RIDER APPROPRIATION</i>						
	Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)					

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221		Agency name: First Court of Appeals District, Houston				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
		\$5,003	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>						
	Lapsed Appropriations					
		\$(4,642)	\$0	\$0	\$0	\$0
TOTAL,	Interagency Contracts					
		\$42,861	\$42,500	\$42,500	\$42,500	\$42,500
TOTAL, ALL	OTHER FUNDS					
		\$344,417	\$324,550	\$324,550	\$324,550	\$324,550
GRAND TOTAL		\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977

2.B. Summary of Base Request by Method of Finance
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2016-17 GAA)	51.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	44.0	44.0	0.0	0.0
Regular Appropriations from MOF Table Comments: 2020-21 BLRequest	0.0	0.0	0.0	44.0	44.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	(6.8)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	44.2	44.0	44.0	44.0	44.0

**NUMBER OF 100% FEDERALLY FUNDED
 FTEs**

2.C. Summary of Base Request by Object of Expense
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:03AM

221 First Court of Appeals District, Houston

OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$4,079,689	\$4,172,713	\$4,188,690	\$4,188,690	\$4,188,690
1002 OTHER PERSONNEL COSTS	\$243,448	\$208,411	\$156,689	\$156,689	\$156,689
2001 PROFESSIONAL FEES AND SERVICES	\$139,324	\$139,676	\$139,676	\$139,676	\$139,676
2003 CONSUMABLE SUPPLIES	\$2,824	\$229	\$4,627	\$4,627	\$4,627
2005 TRAVEL	\$997	\$760	\$4,225	\$4,225	\$4,225
2006 RENT - BUILDING	\$43,440	\$42,180	\$48,376	\$48,376	\$48,376
2009 OTHER OPERATING EXPENSE	\$193,965	\$141,008	\$162,694	\$162,694	\$162,694
OOE Total (Excluding Riders)	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
OOE Total (Riders)					
Grand Total	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977

2.C.1. Operating Costs Detail ~ Base Request

Date: 8/2/2018

Time: 9:08:04AM

86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 221 Agency: First Court of Appeals District, Houston

BASE REQUEST STRATEGY: 1-1-1 Appellate Court Operations

Code	Type of Expense	Expended 2017	Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
2	Postage	\$0	\$5,000	\$5,000	\$5,000	\$5,000
6	Registrations/Training	125	375	2,517	2,517	2,517
7	Subscriptions/Periodicals	25,602	18,871	18,528	18,528	18,528
12	Maintenance & Repair - Equipment	0	773	1,850	1,850	1,850
13	Furniture & Equipment (Expensed)	4,869	0	3,692	3,692	3,692
15	Printing & Reproduction	32	0	0	0	0
24	Freight/Delivery	486	107	500	500	500
26	Books (expensed)	35,737	39,341	46,680	46,680	46,680
27	Membership Dues	13,740	13,337	15,937	15,937	15,937
28	Liability Insurance	6,529	6,250	6,250	6,250	6,250
45	Telephone/Communication Services	2,869	2,369	3,695	3,695	3,695
55	Computer Furn & Equip-Controlled	44,866	0	0	0	0
64	SORM Assessment	4,655	4,441	4,600	4,600	4,600
94	Awards	614	675	500	500	500
118	Temporary Employment Services	2,382	0	0	0	0
187	1% salary benefits fee	38,198	35,946	39,259	39,259	39,259
195	Payroll Health Insurance Contrib.	13,261	13,523	13,686	13,686	13,686
	Total, Operating Costs	\$193,965	\$141,008	\$162,694	\$162,694	\$162,694

2.D. Summary of Base Request Objective Outcomes
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

8/2/2018 9:08:03AM

221 First Court of Appeals District, Houston

Goal/ Objective / Outcome	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1 Appellate Court Operations					
1 Appellate Court Operations					
KEY 1 Clearance Rate					
	100.60%	98.00%	100.00%	100.00%	100.00%
KEY 2 Percentage of Cases Under Submission for Less Than One Year					
	99.30%	99.10%	99.75%	99.75%	99.75%
KEY 3 Percentage of Cases Pending for Less Than Two Years					
	99.70%	99.30%	99.90%	99.90%	99.90%

2.F. Summary of Total Request by Strategy
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/2/2018
 TIME : 9:08:03AM

Agency code: 221	Agency name: First Court of Appeals District, Houston					
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
1 Appellate Court Operations						
1 Appellate Court Operations						
1 APPELLATE COURT OPERATIONS	\$4,704,977	\$4,704,977	\$0	\$0	\$4,704,977	\$4,704,977
TOTAL, GOAL 1	\$4,704,977	\$4,704,977	\$0	\$0	\$4,704,977	\$4,704,977
TOTAL, AGENCY STRATEGY REQUEST	\$4,704,977	\$4,704,977	\$0	\$0	\$4,704,977	\$4,704,977
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$4,704,977	\$4,704,977	\$0	\$0	\$4,704,977	\$4,704,977

2.F. Summary of Total Request by Strategy
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/2/2018
 TIME : 9:08:03AM

Agency code: 221		Agency name: First Court of Appeals District, Houston				
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:						
1 General Revenue Fund	\$4,380,427	\$4,380,427	\$0	\$0	\$4,380,427	\$4,380,427
	\$4,380,427	\$4,380,427	\$0	\$0	\$4,380,427	\$4,380,427
Other Funds:						
573 Judicial Fund	273,350	273,350	0	0	273,350	273,350
666 Appropriated Receipts	8,700	8,700	0	0	8,700	8,700
777 Interagency Contracts	42,500	42,500	0	0	42,500	42,500
	\$324,550	\$324,550	\$0	\$0	\$324,550	\$324,550
TOTAL, METHOD OF FINANCING	\$4,704,977	\$4,704,977	\$0	\$0	\$4,704,977	\$4,704,977
FULL TIME EQUIVALENT POSITIONS	44.0	44.0	0.0	0.0	44.0	44.0

2.G. Summary of Total Request Objective Outcomes
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/2/2018
 Time: 9:08:03AM

Agency code: 221 Agency name: **First Court of Appeals District, Houston**

Goal/ Objective / Outcome

		BL 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
1	Appellate Court Operations						
1	Appellate Court Operations						
KEY	1 Clearance Rate						
		100.00%	100.00%			100.00%	100.00%
KEY	2 Percentage of Cases Under Submission for Less Than One Year						
		99.75%	99.75%			99.75%	99.75%
KEY	3 Percentage of Cases Pending for Less Than Two Years						
		99.90%	99.90%			99.90%	99.90%

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:04AM

221 First Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
 OBJECTIVE: 1 Appellate Court Operations
 STRATEGY: 1 Appellate Court Operations

Service Categories:

Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
1	Number of Civil Cases Disposed	628.00	640.00	700.00	686.00	686.00
2	Number of Criminal Cases Disposed	508.00	425.00	500.00	588.00	588.00
Explanatory/Input Measures:						
1	Number of Civil Cases Filed	605.00	576.00	600.00	612.00	624.00
2	Number of Criminal Cases Filed	339.00	400.00	500.00	510.00	520.00
3	Number of Cases Transferred in	62.00	129.00	45.00	45.00	40.00
4	Number of Cases Transferred out	11.00	4.00	5.00	5.00	5.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,079,689	\$4,172,713	\$4,188,690	\$4,188,690	\$4,188,690
1002	OTHER PERSONNEL COSTS	\$243,448	\$208,411	\$156,689	\$156,689	\$156,689
2001	PROFESSIONAL FEES AND SERVICES	\$139,324	\$139,676	\$139,676	\$139,676	\$139,676
2003	CONSUMABLE SUPPLIES	\$2,824	\$229	\$4,627	\$4,627	\$4,627
2005	TRAVEL	\$997	\$760	\$4,225	\$4,225	\$4,225
2006	RENT - BUILDING	\$43,440	\$42,180	\$48,376	\$48,376	\$48,376
2009	OTHER OPERATING EXPENSE	\$193,965	\$141,008	\$162,694	\$162,694	\$162,694
TOTAL, OBJECT OF EXPENSE		\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977

221 First Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
 OBJECTIVE: 1 Appellate Court Operations
 STRATEGY: 1 Appellate Court Operations

Service Categories:
 Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Method of Financing:						
1	General Revenue Fund	\$4,359,270	\$4,380,427	\$4,380,427	\$4,380,427	\$4,380,427
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,359,270	\$4,380,427	\$4,380,427	\$4,380,427	\$4,380,427
Method of Financing:						
573	Judicial Fund	\$267,023	\$273,350	\$273,350	\$273,350	\$273,350
666	Appropriated Receipts	\$34,533	\$8,700	\$8,700	\$8,700	\$8,700
777	Interagency Contracts	\$42,861	\$42,500	\$42,500	\$42,500	\$42,500
SUBTOTAL, MOF (OTHER FUNDS)		\$344,417	\$324,550	\$324,550	\$324,550	\$324,550
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,704,977	\$4,704,977
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
FULL TIME EQUIVALENT POSITIONS:		44.2	44.0	44.0	44.0	44.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. Strategy Request
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:04AM

221 First Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
 OBJECTIVE: 1 Appellate Court Operations
 STRATEGY: 1 Appellate Court Operations

Service Categories:

Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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The First Court of Appeals was created in 1891 by an amendment to Article 1817, V.T.C.S., pursuant to authority granted by Article V Section 1, Texas Constitution. This Court has intermediate appellate jurisdiction of civil and criminal cases appealed from lower courts in civil cases where judgments exceed \$100, exclusive of costs, and other civil proceedings as provided by law; and in criminal cases, except post-conviction writs of habeas corpus, and where the death penalty has been imposed. This Court has jurisdiction over 10 counties.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Courts of appeals are, by nature, small entities with a highly specialized staff. Courts of appeals have no discretion to decline appellate review of any case filed, and no control over the number of cases filed. The primary factor which drives the strategy is the need to attract and retain highly trained and knowledgeable staff to maintain the Court's ability to dispose of cases in as effective and efficient manner as possible in order to meet the Legislature's performance measures and the expectations of Texas citizens.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$9,409,954	\$9,409,954	\$0	\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 9:08:04AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
METHODS OF FINANCE (INCLUDING RIDERS):				\$4,704,977	\$4,704,977
METHODS OF FINANCE (EXCLUDING RIDERS):	\$4,703,687	\$4,704,977	\$4,704,977	\$4,704,977	\$4,704,977
FULL TIME EQUIVALENT POSITIONS:	44.2	44.0	44.0	44.0	44.0

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
 86th Regular Session, Agency Submission, Version 1

Agency Code: 221		Agency: First Court of Appeals				Prepared By: Kelly McIntosh/Chris Prine					
Date: August 3, 2018						18-19	Requested	Requested	Biennial	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2020	2020	Total	\$	%
1.1.1	Appellate Court Operat	1	Appellate Court Operations	1	Appellate Court Operations	\$8,760,854	\$4,380,427	\$4,380,427	\$8,760,854	\$0	0.0%

3.B. Rider Revisions and Additions Request

Agency Code: 221	Agency Name: First Court of Appeals	Prepared By: Kelly McIntosh/Chris Prine	Date: August 03, 2018	Request Level: Baseline
Current Rider Number	Page Number in 2018-19 GAA	Proposed Rider Language		
6	IV-39	<p>Interagency Contracts for Assigned Judges for Appellate Courts. Out of funds appropriated in this Article to Strategies A.1.1, Appellate Court Operations, the Supreme Court of Texas, the Court of Criminal Appeals, or any of the 14 Courts of Appeals may enter into a contract with the Office of the Comptroller for fiscal years 2018 2020 and 2019 2021, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the appellate courts. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the appellate courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.3, Visiting Judges - Appellate in the Judiciary Section, Comptroller's Department.</p> <p><i>Change years to reflect the new biennium.</i></p>		

The courts also request the following with regard to the across-the-board riders found in Article IV (p. IV-39):

- 1) Retain Article IV rider, Sec 4, Appellate Court Exemptions
- 2) Retain Article IV rider, Sec 6, Interagency Contracts for Assigned Judges for Appellate Courts.
- 3) Retain Article IV rider, Sec 7, Appellate Court Transfer Authority

Historically, the Legislature has granted the courts exemption from certain limitations in the General Appropriations Act. They have also granted the authority to carryover unexpended budget balances between years of the biennium as shown in the current bill pattern. The flexibility afforded by these measures enhances the courts' management ability, and we seek continuation of these budget features.

6.A. Historically Underutilized Business Supporting Schedule
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
 Time: 9:08:05AM

Agency Code: 221 Agency: First Court of Appeals District, Houston

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2016 - 2017 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures FY 2016	% Goal	HUB Expenditures FY 2017			Total Expenditures FY 2017
			% Actual	Diff	Actual \$	% Actual		Diff	Actual \$		
26.0%	Other Services	26.0 %	0.0%	-26.0%	\$0	\$9,284	26.0 %	2.2%	-23.8%	\$427	\$19,196
21.1%	Commodities	21.1 %	49.5%	28.4%	\$9,755	\$19,711	21.1 %	51.6%	30.5%	\$3,972	\$7,692
	Total Expenditures		33.6%		\$9,755	\$28,995		16.4%		\$4,399	\$26,888

B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals

Attainment:

The agency overall exceeded the applicable statewide HUB procurement goals in FY2016 and FY2017 in the categories where HUB's were available for use.

Applicability:

The "Heavy Construction," Building Construction," "Special Trade," and "Professional Service," categories are not applicable to agency operations in either fiscal year 2016 or fiscal year 2017 since the agency did not have any strategies or programs related to these categories.

Factors Affecting Attainment:

In fiscal year 2016 and 2017, the goal of "Other Services" category were not met due to the following:

- printing expenditures are exempt from bidding for Judicial agencies per Texas Const. Sec. 21
- the lowest bid was from a non-hub vendor
- only source available

In fiscal year 2016 and 2017, the goal of "Commodities" were exceeded due to the following:

- major purchases were made with HUB vendors
- consistent repeat purchases to HUB vendors were utilized

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 1 TAC Section 111.13c:

- ensured that contract specifications, terms, and conditions reflected the agency's actual requirements, were clearly stated, and did not impose unreasonable or unnecessary contract requirements
- gathered information on HUB vendors from the on-line system and contacted the vendor directly for a bid
- used the Statewide Procurement Division where applicable, not always resulting in the use of a HUB vendor

**6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern
First Court of Appeals**

ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2020-21 GAA BILL PATTERN	\$ 814,000
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Fund Name	
Estimated Beginning Balance in FY 2018	
Estimated Revenues FY 2018	\$ 402,000
Estimated Revenues FY 2019	\$ 407,000
FY-2018-19 Total	\$ 809,000
Estimated Beginning Balance in FY 2020	
Estimated Revenues FY 2020	\$ 407,000
Estimated Revenues FY 2021	\$ 407,000
FY 2020-21 Total	\$ 814,000
Constitutional or Statutory Creation and Use of Funds:	
<p>Pursuant to section 22.202 of the Government code, counties other than Harris County composing the First and Fourteenth Court of Appeals Districts shall annually reimburse Harris County for the cost incurred by Harris County during its previous fiscal year for supplemental salaries and fringe benefits for the justices of those courts. In addition, these counties are also to provide reimbursement for furnishings, equipment, supplies, and utility expense for those courts.</p>	
Method of Calculation and Revenue Assumptions:	
<p>Each county is to pay a share based on the proportion of their population to the total population of all counties in these districts. To effectuate the billing and payment process, the Harris County Commissioners Court is required to furnish each county liable for expenses with a statement of that county's share. Furthermore, the statement must be approved by the Chief Justices of the Courts of Appeals.</p>	

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
 Time: 9:08:09AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

1 2.5% Base Reduction Increment

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: Any reduction in the First Court's General Revenue (GR) would result in a direct impact on staffing. The court's budget predominantly goes toward salaries. The court does not have specific programs it can cut or reduce to meet any GR reduction. Any reduction in the court's GR would in effect have an even greater impact on the court's support personnel budgets, given that the judicial-salary portion of the courts' budgets are statutorily fixed. With a significant percentage of the court's budget dedicated to staffing, the court does not have the discretionary funds to absorb any reduction without cutting integral staff. As an alternative, the court could implement across-the-board reductions in salaries. Such reductions would drop salaries significantly below those of other comparable positions in both the public and private sectors and likely would deter top candidates from remaining or applying with the court.

A 2.5 reduction in the court's GR equates to \$219,021.25 of the court's biennial funds. Such a reduction to the court's budgets would require a reduction of one permanent staff attorney and a reduction in the court's one full-time administrative assistant to one quarter-time status and directly impact the productivity of the court.

Strategy: 1-1-1 Appellate Court Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$109,511	\$109,511	\$219,022			
General Revenue Funds Total	\$0	\$0	\$0	\$109,511	\$109,511	\$219,022			
Item Total	\$0	\$0	\$0	\$109,511	\$109,511	\$219,022			

FTE Reductions (From FY 2020 and FY 2021 Base Request) 1.2 1.2

2 5% Base Reduction Increment

Category: Programs - Service Reductions (FTEs-Layoffs)

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
Time: 9:08:09AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

Item Comment: A 5% reduction in the court's GR equates to \$438,042.50 of the court's biennial funds. Such a reduction to the court's budgets would require a reduction of two permanent staff attorneys and a reduction in the court's one full-time administrative assistant to half-time status and directly impact the productivity of the court.

Strategy: 1-1-1 Appellate Court Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
General Revenue Funds Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
Item Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

2.5 2.5

3 7.5% Base Reduction Increment

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: A 7.5% reduction in the court GR equates to \$657,063.75 of the court's biennial funds. The court's budget predominantly goes toward salaries. Such a reduction to the court's budgets would require a reduction of three permanent staff attorneys and a reduction in the court's one full-time administrative assistant to three quarter-time status and directly impact the productivity of the court.

Strategy: 1-1-1 Appellate Court Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
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6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
Time: 9:08:09AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General Revenue Funds Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
Item Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
FTE Reductions (From FY 2020 and FY 2021 Base Request)					3.7	3.7			
4 10% Base Reduction Increment									
Category: Programs - Service Reductions (FTEs-Layoffs)									
Item Comment: A 10% reduction in the court's GR equates to \$876,085.00 of the court's biennial funds. Such a reduction in the court's GR would result in the loss of four permanent staff attorneys and the court's one administrative assistant and directly impact the productivity of the court. The loss of four attorneys represents 16% of the court's legal staff. The loss of one administrative assistant represents 10% of the court's upper-level administrative staff.									
Impact									
Any level of reduction and resulting reduction in staffing would likely result in (1) a reduction in dispositions of appeals, preventing the courts from clearing older cases and reaching the disposition target of 100% of new appeals filed in the biennium, and (2) an increase in the time for which appeals and original proceedings remain pending during the biennium. We estimate the court's clearance rate would fall and that the number of cases pending longer than projected would rise as a direct result of a reduction in GR.									
Strategy: 1-1-1 Appellate Court Operations									
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
General Revenue Funds Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
Item Total	\$0	\$0	\$0	\$109,510	\$109,511	\$219,021			
FTE Reductions (From FY 2020 and FY 2021 Base Request)					5.0	5.0			

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
 Time: 9:08:09AM

Agency code: 221 Agency name: First Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET	
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total	
AGENCY TOTALS										
General Revenue Total				\$438,041	\$438,044	\$876,085				\$876,085
Agency Grand Total	\$0	\$0	\$0	\$438,041	\$438,044	\$876,085				\$876,085
Difference, Options Total Less Target										
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)				12.4	12.4					
Article Total				\$438,041	\$438,044	\$876,085				
Statewide Total				\$438,041	\$438,044	\$876,085				



