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April 1996

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Key Points Of Report

A Report on the Efficiency of the Office of Court Administration

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Overall Conclusions

Operations of the Office of Court Administration are generally efficient. However, opportunities to improve the efficiency of specific operations exist. The use of strategic planning and the improvement of the current performance measurement process will provide assurances that the agency's resources are used in the most critical areas and are being used efficiently. In addition, management and oversight authorities will be able to assess whether the agency is accomplishing its statutory responsibilities as well as meeting the needs of its customers.

Key Facts And Findings

- All 16 of the appellate courts use the free Office of Court Administration Case Management System software developed, maintained, and supported by the agency. A significant portion of the agency's resources are dedicated to this activity. However, only 28 percent of the courts in the Texas Judicial System have requested the software.
- The agency has prioritized the processing of the monthly judicial reports to ensure that its reporting requirements are being met. The agency is unable to process in a timely manner many of the 3,000 judicial reports that are received monthly. Automating the collection and processing of monthly judicial reports may free up resources that can be used in other areas of the agency.
- A Judges' Technology Committee has been established to address the automation concerns of the appellate courts.
- The development of an employee appraisal system is a priority for fiscal year 1996.
- Seventy-four percent of the agency's appropriations are allocated to the Title IV-D Court Masters and Administrative Assistants Program. This program is a part of the Child Support Program. Twenty percent of the \$4.3 million appropriated to the agency for fiscal year 1996 is allocated to providing administrative support (its primary function) and assistance to the 3,010 justices and 2,550 courts that comprise the Texas Judicial System. The majority of the agency's 17 employees are responsible for providing these services to the appellate courts of Texas. The remaining six percent appropriated to the agency is allocated for other small programs.

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Office of the State Auditor

Lawrence F. Alwin, CPA

This audit was conducted in accordance with Government Code, § 321.013.

Key Points Of Report

Office of the State Auditor

Lawrence F. Alwin, CPA

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Executive Summary

Operations of the Office of Court Administration are generally efficient and, overall, adequate controls are in place. The agency's operations are primarily directed toward providing assistance to the courts and justices of the Texas Judicial System. The agency has a limited oversight role within this system.

Approximately 74 percent of the \$4.3 million appropriated to the agency is allocated to the Child Support Enforcement Title IV-D Court Masters and Administrative Assistants Program. Twenty percent of the agency's appropriation for fiscal year 1996 provides for the majority of the agency's primary statutory functions and responsibilities, administrative support and assistance to the courts and justices of the Texas Judicial System. The remaining six percent is allocated for smaller programs.

Implementation of comprehensive strategic planning and effective performance measurement processes will improve the agency's accountability for the limited resources it is provided. Strategic planning will help the agency ensure that it has identified the significant areas of its operations and assist in the allocation of resources. Improvement of the performance measurement processes will provide information to management and oversight authorities to determine whether the agency is successfully accomplishing its statutory responsibilities and meeting the needs of its customers.

This review of the agency identified opportunities to improve significant operations and controls. Issue areas have been identified that, if addressed, can help the agency become more efficient with the resources available for the majority of its

responsibilities. The significant issue areas that should be addressed by management during the strategic planning process include the following:

- Evaluate the use of resources committed to the development, maintenance, and support of the Office of Court Administration Case Management System. The automated software is to be used by the courts to manage cases. Although all 16 of the appellate courts use this free software, overall 28 percent of the more than 2,550 courts in the Texas Judicial System have requested the software.
- Assess the efficiency of the report processing function. Management has prioritized processing of monthly judicial reports to ensure that the agency meets its monthly reporting requirements. However, automating the collection and processing of the more than 3,000 reports (e.g., *Judicial Activity Report* and *Appointment and Fee Report*) received each month may free up resources that are available to address other needs of the agency.

Controls over selected significant resources are in place and operating as intended by management. The new Administrative Director has established the development of an employee appraisal system as a priority for the agency during fiscal year 1996.

The agency provides administrative support and assistance to the courts of the Texas Judicial System and the staff for the operation of the Texas Judicial Council. The agency is mandated to provide secretariat services to several statutory judicial councils and committees. The agency also employs court masters and administrative assistants to hear

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and process child support enforcement cases. Through a contract with the Office of the Attorney General, the agency obtains state and federal funds under Title IV-D of the Social Security Act to provide for the salaries and travel expenses of the court masters and their administrative assistants. The court masters and administrative assistants are hired and supervised by the nine presiding judges of the Administrative Judicial Regions. (See Appendix 3 for a list of the major statutory responsibilities.)

Appropriations to the agency for fiscal year 1996 total \$4.3 million. However, \$3.2 million is allocated for salary and travel expenses related to the Title IV-D Court Masters and Administrative Assistants Program. The remaining \$1.1 million of the agency's appropriations and the majority of the agency's staff is provided for the following programs: Court Administration (\$850,000), Equalization of the Court of Appeals Dockets (\$35,000), Assistance to the Administrative Judicial Regions (\$190,000), and Child Support Enforcement Assistance (\$50,000).

It is unlikely that the agency's 17 employees would be able to meet the needs of all of the more than 2,550 courts that make up the Texas Judicial System; therefore, the agency has prioritized the delivery of services to the appellate courts. (Figure 1 provides a list of the courts that comprise the Texas Judicial System and their jurisdiction.)

Figure 1

Courts of the Texas Judicial System	
Court	Jurisdiction
<u>Appellate Courts:</u> Supreme Court	Highest appellate court civil and juvenile cases
Court of Criminal Appeals	Highest Appellate Court Criminal Cases
Court of Appeals (14)	Intermediate Appeals From Trial Courts
<u>Trial Courts:</u> State District (386)	General and Special Jurisdiction
County-Level (436)	Limited Jurisdiction - County
Municipal (840)	Limited Jurisdiction - Local
Justice of the Peace (885)	Limited Jurisdiction - Local

When comparing the Offices of Court Administration in the ten most populous states, Texas ranks last in number of employees and in dollars appropriated. The number of employees in the other states' offices ranged from 98 to 364, while the dollars appropriated ranged from \$5.1 million to \$28.8 million. It should be noted that in other states, the Offices of Court Administration generally perform other duties (e.g., paying the salaries of all justices,

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operating judicial education centers, operating state law libraries, or other programs).

Under the direction of the new Administrative Director, the agency has begun to address automation concerns at the appellate courts by establishing a Judges' Technology Committee. The agency will be making modifications to the Texas Judicial System Annual Report to provide more meaningful and useful information and make the report more user-friendly.

Follow-Up to Prior Audit Comments

The agency has resolved all prior audit comments. The audit comments related to the agency are found in SAO Report No. 92-005, dated October 1991.

Summary of Management's Responses

Overall, management is in general agreement with the issues and recommendations made in this report.

Summary of Audit Objective and Scope

Our audit objective was to determine the efficiency of the agency's operations in providing oversight and assistance to the courts of the State. We determined if adequate controls exist over the agency's resources used in achieving its goals, mission, and statutory responsibilities. We also followed up on the status of findings related to the agency in SAO Report No. 92-005, *Report on the Financial Related Audits of the Judicial Branch of Government Service*.

The scope of the audit was limited to reviewing selected significant processes and products that are provided to the courts by the agency. We also gained an understanding of and tested selected internal controls over significant resources and made inquiry of management to determine the status of prior audit comments. The results of our audit are included in this report.

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Improve Planning and Performance Measure Processes

A formal strategic planning process can be helpful to management in its efforts to plan and prioritize how the agency's resources will be used to provide services, support, and assistance to the courts of the Texas Judicial System. The performance measures that are developed will allow the agency to better monitor the use of its resources and provide management and oversight authorities with information to assess whether statutory responsibilities are being efficiently accomplished. It should be noted that entities within the judicial branch are not required to prepare and submit strategic plans.

In addition, we identified significant services, products, and operations for which a strategic planning process can assist the agency in its assessment of current activities:

- The use of resources currently allocated to developing, maintaining, and supporting one significant operation, the Office of Court Administration (OCA) Case Management System (free automated software available to the appellate and trial courts), should be evaluated. Although all of the 16 appellate courts use the software, only 28 percent of the more than 2,550 courts take advantage of this product and related services offered by the agency.
- The methodologies used to collect, process, and report judicial information can be improved. If the agency's collection and processing of monthly judicial reports is automated, resources may free up for other purposes, and processing backlogs may be reduced.
- Changes can also be made to the *Texas Judicial System Annual Report* to make the document more useful and meaningful to its readers. Between 3,000 and 4,000 individuals annually receive the legislatively mandated *Texas Judicial System Annual Report*. Recipients include legislators, members of the judiciary, judicial researchers, and other states' Offices of Court Administration.

Over one-third of the agency's 17 staff members have ongoing responsibilities in the operation of the OCA Case Management System and report processing functions. See Section 1-B for a detailed discussion of each of the items listed above.

Improve Performance Measurement Processes

Selected key performance measures reported to Legislative Budget Board for the third quarter of fiscal year 1995 were determined to be accurate. The key measures tested and the certified amounts reported to the Legislative Budget Board are provided in Figure 2.

Figure 2

Key Performance Measures Certified	
Third Quarter Fiscal Year 1995	
<u>Performance Measure</u>	<u>Certified Amount</u>
The Number of Monthly Reports Processed	5,436
The Number of Meetings, Seminars, and Conferences Conducted	28

However, management should consider developing a formal and comprehensive strategic planning process and internal performance measures to provide more information to help management, the Supreme Court, or legislators determine whether the agency is successfully accomplishing its responsibilities. (See Appendix 3 for detailed list of major statutory responsibilities.) Internal measures would help indicate whether the agency has assisted the judicial system in carrying out its responsibilities.

We noted the following issues related to the agency's performance measurement system:

- Accurately estimating and tracking performance measures will demonstrate how resources are being used. Some activities are not being accurately estimated or tracked. For example:
 - Specific performance measures do not exist for the agency's most significant program, Title IV-D Court Masters and Administrative Assistants Program (Court Masters Program). The measure "Total Number of Staff Hours Spent Providing Title IV-D Assistance" for the Child Support Enforcement Assistance Program also includes the time spent by staff for the Court Masters Program. Without measures which are specific to the Court Masters Program, management will not have information to effectively manage operation of this function.

The agency pays the salaries and travel expenses and serves as the human resource and travel coordinator for the court masters and their administrative assistants employed by the State through the agency to handle child support enforcement cases. These individuals are hired and supervised by the nine presiding judges of the Administrative Judicial Regions. Fiscal year 1996 is the third year the agency has provided these services. The \$3.1 million expended on salaries and travel during fiscal year 1995 represented 74 percent of the agency's total expenditures.
 - The performance measure for the number of research project hours (100) and number of research projects (10) has not changed since fiscal year 1993. A review of projects completed indicates that more than 100 hours have been spent on research and more than 10 projects have been completed during most years. (See Appendix 4 for a list of research projects completed during fiscal year 1995.)
- Some of the agency's measures are indicators of how operations change with time. However, some of the agency's current measures will never change with time:

- There will always be 108 reports provided to the presiding judges of the nine Administrative Judicial Regions. Each presiding judge will receive a monthly report for his region.
- Each year the Supreme Court will receive 12 Consolidated Reports related to the equalization of Courts of Appeals Dockets. One report is generated each month.
- Improvement can also be made to methods used to determine customer satisfaction with the services and products provided. A more detailed and in-depth survey process can provide information to help the agency focus the use of its resources to the needs of its customers as well as meet its statutory responsibilities. Currently, the agency asks one question on its survey:

**During the State Fiscal Year 199X, I rate the services provided to my Court by the Office of Court Administration as:
Satisfactory OR Unsatisfactory.**

Although the respondents (i.e., justices and clerks of the 14 Courts of Appeal and the presiding judges of the nine Administrative Judicial Regions) to a survey completed for fiscal year 1994 overwhelmingly responded that the services provided were satisfactory, no detailed information was provided to help the agency improve its operations, services, and products.

In a survey conducted by the State Auditor's Office, we also found that the users were generally pleased with the services, products, and computer assistance provided by the agency. However, the survey highlighted two specific areas of user concern:

- The courts had concerns about the ability of the agency to provide computer (hardware and software) training and automation support with its limited resources.
- Court personnel wanted more user friendly manuals to support the Texas Case Management System software.

Recommendations:

- Develop a comprehensive strategic planning process at the agency. This process should include the following: Environmental Scans, Risk Assessment, Mission Analysis, Goal Setting, Budgeting, Action Plans, and Measures.

For assistance and guidance, the agency should obtain a copy of the *Instructions for Preparing and Submitting Agency Strategic Plans for the Period 1997-2001*. This manual is produced by the Governor's Office of Budget and Planning and the Legislative Budget Board.

- Develop performance measures that can be used to monitor, evaluate, and improve operations of the agency. Performance measures should help management and those with oversight responsibilities assess whether the agency's objectives, goals, and strategies are being achieved and the impact of the agency on the Judiciary. Specific measures should be developed for the significant functions and programs of the agency.

The cost of measuring certain activities should be balanced against the benefits that any measure would provide.

- Develop a more in-depth user satisfaction survey or service/product specific surveys to provide the agency with information that can be used to effect positive change to the services and products that are made available. For example, surveys specific to individual training classes taught may provide more immediate information that can improve future classes. Management and staff have indicated that information is informally collected from users and that services and products have been modified to address the needs of users.

In addition, court personnel can be surveyed to determine what their needs are and how the agency can meet their needs. If the agency is not meeting the needs of the courts and its other customers, the agency will be unable to successfully accomplish its statutory responsibilities. The results of the formal surveying processing should be used in conjunction with information that is provided informally by court personnel.

Management's Response:

The Office will conduct a strategic planning session in April, 1996. Management feels that the measurement of achievement of goals will occur as a normal operation of strategic planning. The Office will undertake to measure other functions that aren't highlighted during the strategic planning process but which are essential to the operations of the Office.

As with most service oriented organizations, the Office must measure the degree of satisfaction of the users of its services and products. We plan to incorporate more feedback instruments into the delivery of our services and products.

Section 1-B:

Evaluate the Efficiency of Significant Operations

In this review of the agency, we identified significant services and operations which can be evaluated by management to determine if resources allocated are being used efficiently. An assessment will also provide assurances that the agency is meeting its statutory responsibilities and the needs of the agency's customers.

Assess the utilization of resources for the OCA Case Management System.

There are indicators which point to a need to assess the use of resources committed to the development, maintenance, and support of OCA Case Management Systems: low interest in the software by the courts, limited participation in training classes, and not targeting the software for use by courts that meet certain criteria. These automated case management systems have been developed by the agency in response to requests made by former Chief Justices of the Supreme Court to provide support to the courts of Texas. However, the agency does not have the authority to require use of the free OCA Case Management System by the courts.

Figure 3

Automated Texas Case Management System Requests by Court Type (Since 1991)	
Appellate (16)	100%
Title IV-D Child Support Enforcement (35)	100%
State District and County (822)	24%
Municipal (840)*	34%
Justice of the Peace (885)*	24%
Overall	28%

Total number of courts in parenthesis.

*Automated systems made available to these courts during fiscal year 1994.

Detailed information regarding each of the indicators is provided.

- Of the agency’s priority courts, the appellate courts, all have received and are using the OCA Case Management System. However, fewer than 28 percent of the more than 2,550 courts in the State of Texas have requested the free OCA Case Management System software. Figure 3 provides a detailed analysis of the percent of courts by types that have requested the OCA Case Management System since 1991.

The agency has not determined why more of the courts are not using the software. Staff members believe that the courts are purchasing case management software from vendors or developing their own automated or manual systems for tracking cases.

Additionally, the agency does not know if courts that have requested the software are actual users. For example, the agency has recently been contacted by district court officials from El Paso requesting assistance to help them better manage cases. Agency records indicate that the El Paso District and County-Level courts received the OCA Case Management System software designed for these courts in 1991 and that at least one individual from the court had attended the software training classes. However, in this specific case, the OCA Case Management System was not being used.

- Participation in the training classes by those courts that have received the software has been low. A review of the “user lists” indicate that many of the courts which received the software had not sent individuals to the free training classes periodically made available at the agency. On average, 4.75 students attended each of the 70 OCA Case Management System software training classes held during fiscal year 1995. In several instances, the class size was less than three individuals. Staff members indicate that limited travel budgets and hectic court schedules have contributed to low training class attendance.

Prior to fiscal year 1996, the agency did not have a policy regarding the minimum number of individuals that were needed to conduct a cost-effective class. For fiscal year 1996, the Agency has recently implemented a policy to cancel a class if less than five persons are registered one week prior to the class date.

- The agency has not determined which courts (small, medium, or large based on the number of cases) the OCA Case Management System software should target. Attempting to determine which courts should use the software can help the agency in its effort to allocate limited resources between its various services and products.

Recommendation:

Evaluate the use of resources currently allocated to the development, maintenance, and support of the OCA Case Management System. With roughly 28 percent of the courts having requested the free software, it is important for the agency to ensure that its limited resources are being used efficiently. Information should be obtained to determine the number of courts that would benefit from having the software and why courts are not requesting and using the software. The software, in its current state, may be missing components that the courts need. As more courts begin to use the software, management will need to assess the impact on the other functions of the agency and the allocation of resources to this function.

Management's Response:

A primary statutory duty of the Office of Court Administration is to study and recommend methods for improving the efficiency of the administration of justice. The use of computers and software is invaluable in the goal of improving efficiency in any setting. The OCA Case Management software was developed as a solution for jurisdictions with few resources available to develop their own software or to purchase software from private vendors.

The Office never intended for the software to be used in each of the 2,550 courts. The Office is not trying to compete with private vendors for the courts' business. The Office is not trying to duplicate the efforts of larger counties who develop their own software, but the Office is always available to assist them and allow those counties to use our software to improve their own.

Generally, the Office targets counties with populations less than 150,000 and municipalities with populations less than 50,000; less than 35% of the state's population lives in these counties and municipalities. This translates to 547 district and county level courts, 711 justice of the peace courts in 234 counties and the municipal courts of 806 municipalities.

The Office estimates that it supports 1,043 court personnel users in these targeted jurisdictions, the appellate courts, and the Title IV-D Program, but, only 60 additional

court personnel users in the larger jurisdictions. These 1,103 court personnel users are the users at various courts who would call for technical assistance. At most court sites, these court personnel provide technical support to additional court personnel. The Office cannot accommodate adequately the amount of current users of the software with the current amount of resources. The Office has requested additional staff to support a greater number of users in each of the last four legislative sessions.

This function has been under constant evaluation since its inception. The software currently has a somewhat narrower scope than many of the popular privately developed case management software packages. Privately developed packages are usually integrated justice systems which include modules for courts, jails, police, probation, etc.

Recommendation:

Determine reasons for low participation in the OCA Case Management System training classes. Inquiry of those courts that have requested the software may provide insight as to why training classes have low attendance. Determine how to adjust or modify the methods or availability of training classes to increase participation in these classes. Consider providing training in different areas of the State, utilizing court personnel to provide training across the State, or self-study video tape training. Determine whether charging a nominal fee for the training classes will discourage cancellation and help encourage attendance. Determine the costs to develop and conduct a training class. This information will help decide whether it is cost effective to hold a class with low enrollment.

Management's Response:

The Office feels that a major reason of low attendance at the OCA Case Management System training is due to a lack of travel funds for court personnel to come to Austin for training. Even though the software is free to court users, these users must purchase adequate computer hardware to use the software. We feel as though this outlay for computer equipment often supersedes the use of funds for travel to attend training. Another reason is simply a communications problem: a cost effective method of notifying more users when classes are scheduled.

In fiscal year 1996, the Office implemented a policy to cancel classes if less than 5 students are registered a week before the class. Since September 1, 1995, 30 classes were conducted for a total of 199 participants; this equates to an average class size of 6.63 participants which is a 39.6% increase. Due to the comparative similarity of the Justice of the Peace and Municipal Court Case Management Systems, the Office has combined these training classes into one joint session.

The Office is developing a comprehensive training policy to encompass on-site training, training in other locations around the state, and charging a deposit for attendees (refundable upon attendance). This policy is scheduled to be developed and

implemented during the summer of 1996. The Office will be offering training in Lubbock at the Texas Tech University School of Law computer lab. The Office will be analyzing the costs of providing many of its services including the development and conduction of training.

Automate the collection and processing of monthly judicial reports. Automating the collection and processing of the judicial reports can help improve the time lines of processing all of the reports submitted by the courts, reduce the amount of time data entry clerks spend verifying and correcting information, and may allow the agency to free up resources that can be used in other areas. Currently, three staff members manually input information from the approximately 3,000 reports that are collected on a monthly basis. In addition, these individuals are responsible for contacting the clerks for the reporting courts to obtain correct information for the reports that are not accurate.

The agency is currently not able to process all reports that are received in a timely manner. Each of the 2,550 courts is required by mandate of the Texas Judicial Council to submit on a monthly basis information related to activity of the courts (i.e., detail court docket and case disposition information for criminal, civil, juvenile, and probate cases). More than 500 district and county level clerks are required by Order of the Supreme Court to submit an *Appointment and Fee Report*. This monthly report details the number of payments and the amount paid to court-appointed attorneys during a reporting period.

The agency has developed procedures which ensure that the most important information is prioritized. The agency has prioritized processing the activity reports for appellate, state district, and state county-level courts and the processing of appointment and fee reports. This allows preparation of monthly reports that are provided to the Supreme Court and presiding judges of the nine Administrative Judicial Regions that oversee these courts. In addition, summarized appointment and fee information is available to allow quick response to inquiries from the Supreme Court, the media, and other interested parties. Reports for the remaining trial courts are processed as time allows throughout the year.

Recommendation:

Investigate automating the collection and processing of the monthly judicial reports (*Judicial Activity Report* and *Appointment and Fee Report*) that the agency receives from the courts of the Texas Judicial System. The agency may be able to free up resources that could be used in other areas of the agency and improve the time lines of processing reports currently received from the courts.

Management's Response:

The OCA Case Management software has had the ability to produce the required monthly judicial report to the Office. The software can be adapted for courts to submit reports electronically. Very few courts submit their reports from the software. For the OCA Case Management software to generate the monthly reports submitted to the Office, all of the cases pending during the applicable year must be entered into the system. This poses a problem for most courts using the software; they usually enter only new cases.

In recent years, the Office has evaluated alternative methods of accommodating electronic reporting from the courts to OCA. Among these methods are a separate OCA Reporting System; a module of the current software which would allow the user to alter the report data; and spreadsheet reports. The Office has considered several collection methods as well (diskette, electronic bulletin board system, and internet). The Office intends to implement an electronic reporting solution during fiscal year 1997.

Continue to evaluate production of the *Texas Judicial System Annual Report*.

In its current format, the *Texas Judicial System Annual Report*, prepared by the agency is not user-friendly. The report for fiscal year 1994 was more than 800 pages long. Limited summarized information or conclusions regarding the state of the Texas Judicial System are provided. The report includes more than 500 pages of detailed statistical information on all of the more than 2,550 courts. Sixty pages of the report provide a directory for the Judiciary. In addition to the detailed statistical information on each court of the Texas Judicial System, the following information is provided:

- court structure
- court responsibilities
- duties of court justices and judges
- court jurisdiction
- courts by county
- analysis of activity by court type
- summary of activity for the Alternative Dispute Resolution Centers located throughout the State

Between 3,000 and 4,000 individuals receive this legislatively mandated report annually. Recipients include legislators, members of the Judiciary, judicial researchers, and other states' Offices of Court Administration.

Under the direction of the new Administrative Director, efforts are currently being taken to make the *Texas Judicial System Annual Report* more user-friendly, shorter, and useful. Staff members have indicated that the "Model Report" developed by the National Center for State Courts and the reports developed by other states are being reviewed for ideas.

Recommendations:

Continue to evaluate the usefulness of the *Texas Judicial System Annual Report*. Consider surveying those that have received the report in the past to determine what their needs are and what they expect from the report. Consider placing the detailed statistical information about the 2,550 courts in an automated format that can be accessed by any member of the Judiciary, citizenry, judicial research community, and others.

Management's Response:

A major revision of the organization and contents of the Annual Report is in progress for the fiscal year 1995 report. A reduction of roughly 330 pages is anticipated. More summaries and analysis will be included in this report and be refined in later reports. The Office is anticipating a primarily automated report in the future. Statistics are currently available in automated format when requested. To assist in the ongoing refinement of the Annual Report, a user survey will be included in each report to allow the readers of the report to communicate their needs to the Office.

Section 2:

Improve Controls over Human Resources

Opportunities to improve controls over human resources were identified during our audit. An employee performance appraisal system and documentation of all payroll actions in personnel files will help ensure that resources are being used for the intended purposes. The salaries and benefits of employees accounted for approximately 67 percent of the agency's expenditures during fiscal year 1995, excluding those for the Title IV-D Court Master and Administrative Assistants Programs.

Section 2-A:

Develop a Performance Appraisal System

The agency does not have a documented performance appraisal system to evaluate employees. Under the previous administration, personnel actions were completed at the discretion of the Administrative Director. Criteria do not exist to support merit increases, promotions, demotions, and other personnel actions. Developing and implementing a performance appraisal system will provide support for future human resource decisions.

The new Administrative Director has begun the development of an employee performance appraisal system.

Recommendation:

Continue efforts to develop and implement an employee performance appraisal system during fiscal year 1996.

Management's Response:

The development of the performance appraisal system is scheduled to be completed in April, 1996. The Office will conduct performance appraisals during the summer of 1996.

Section 2-B:

Document all Payroll Actions in Personnel Files

Personnel files do not include all changes in pay rates. We noted that the actual amount paid to one individual did not match the authorized amount documented in his personnel file. Changes to pay rates that result from across-the-board state pay increases or longevity increases are not documented in personnel files. The matching of the authorized pay rate and the actual pay rate is a significant control that helps ensure that financial resources are being used as intended.

Recommendation:

Document all payroll actions in the personnel files. Provide notification and necessary detail in each individual's personnel file for any pay rate change that occurs. Information should be included in personnel files for across-the-board state pay increases and longevity increases in addition to promotion, demotion, merit pay changes.

Management's Response:

The Office will document all changes in pay rates, including any future across the board pay increases and longevity increases.

Section 3:

Continue to Enhance the Automation Planning Function

The agency is working to improve processes for identifying and assisting the appellate courts with planning for automation needs. A Judges' Technology Committee has been created to address these concerns. However, within the agency, formal documentation of the planning and monitoring of major automation projects (i.e., developing new applications or modifying old ones) can be improved.

Section 3-A:

Judges' Technology Committee Has Been Created to Address Automation Concerns at the Appellate Courts

A Judges' Technology Committee comprised of Judges and Court Clerks from the Supreme Court, Court of Criminal Appeals, and 14 Courts of Appeal has been created to address automation concerns at the courts. The trial courts are not included on this committee because the agency provides a full range of automation services and products to the appellate courts. The case management software and support offered by the agency are the primary services and products used by the trial courts.

The goals of the Committee include:

- Establishing a minimum standard for hardware and software capabilities that should exist at each court. This minimum standard would be based on an optimum system designed by the agency. The interconnectivity and compatibility of automated systems at the courts will be very important in the future for information sharing and developing automated products and services on a statewide basis.
- Developing long-term automation goals for the courts by August 1996.

Recommendation:

Continue efforts to standardize and improve the extent of automation that exists in the courts. Consideration should be given to assessing the automation needs of the trial courts and working with these courts to obtain resources from their funding sources to standardize and improve automation.

Management's Response:

The Office has had meetings of Appellate Judges in October, 1995 and of Appellate Clerks in January, 1996 to assess the needs and expectations in the area of automation. Long range goals for appellate courts are expected to be developed by August, 1996.

The Office is developing several trial court Users' Groups to assist those courts in standardization, improvement, and efficiency. The Office is currently evaluating how many groups will be required and the characteristics for grouping the users. The Office hopes to establish a functional users' group for each software program by the end of the fiscal year.

Develop and Document Plans for Major Automation Projects

Formal plans for major automation projects are not documented. For example, no formal documented plans exist for migration of the agency's programs and applications from a DOS environment to the Windows environment. Formal plans provide management with a means to monitor the status of projects; evaluate the success of projects; modify the timetable and time frames for completing projects, if necessary; and document the impact of new priorities or unplanned events on projects.

Recommendations:

Develop a methodology to formally document plans for major automation projects. A formal plan will allow management to periodically monitor and evaluate the status of such projects. A formal plan will also help facilitate decision-making and prioritization of tasks if new priorities arise, or if adverse events occur that could impact major automation projects. The agency should develop a policy to provide criteria relating to formal project plan development.

Management's Response:

The Office is developing policies and procedures for planning any project in the Office, automation or otherwise, which is anticipated to last longer than two weeks. Management feels that this is a necessary function in the ongoing implementation of a strategic plan. Strategic planning is scheduled for April, 1996; policies and procedures should begin in May, 1996.

Objective, Scope, and Methodology

Objective

The objectives of our audit of the Office of Court Administration include the following:

- Determine the efficiency of the agency's operation in providing oversight and assistance/guidance to the courts of the State.
- Determine if adequate controls exist over the agency's resources in achieving its goals, mission, and statutory responsibilities.
- Followup on the status of findings in SAO Report No. 92-005, *Report On The Financial Related Audits of Judicial Branch of Government Service*.

Scope

We determined whether the delivery of selected services and products of the agency could be conducted more efficiently. Appropriations to the agency for fiscal year 1996 total \$4.3 million. However, \$3.2 million is allocated for salary and travel expenses related to the Title IV-D Court Masters and Administrative Assistants program. The remaining \$1.1 million of the agency's appropriations and the majority of the agency's staff is provided for the following programs: Court Administration (\$850,000), Equalization of the Court of Appeals Dockets (\$35,000), Assistance to the Administrative Judicial Regions (\$190,000), and Child Support Enforcement Assistance (\$50,000).

We gained an understanding of significant internal structures: cash disbursements, cash balances, human resources, payroll, fixed assets, and general automation controls. We completed tests of the following internal controls: cash disbursements (specifically travel), payroll, and fixed assets. We also determined the accuracy of key performance measures for the significant programs administered by the agency.

Methodology

The methodology used on this audit consisted of collecting information, performing audit tests and procedures, and analyzing information.

Information collected to accomplish our objectives included the following:

- Interviewing selected members of the Office of Court Administration management and staff.

- Examining of documentary evidence such as:
 - OCA Case Management System training class rosters
 - Judicial Activity Report Submission Reports
 - Supporting documentation for key performance measures reported to the Legislative Budget Board
 - Reports issued by the State Auditor's Office
 - Office of Court Administration policies and procedures developed for internal and external use
- Surveying selected users of the administrative support and assistance provided by the agency.

Criteria used:

- *Guide to Cost-Based Decision Making*, SAO Report No. 95-139
- Standard Auditing Criteria
- *Instructions for Preparing and Submitting Strategic Plans for the Period 1997-2001*, Governor's Office of Budget and Planning and the Legislative Budget Board

Fieldwork was conducted from October 2, 1995, through, December 15, 1995. The audit was conducted in accordance with applicable professional standards, including:

- Generally Accepted Government Auditing Standards
- Generally Accepted Auditing Standards

There were no significant instances of noncompliance with these standards.

The audit work was performed by the following members of the State Auditor's staff:

- Marshall McDade, Jr., CPA (Project Manager)
- Shelley Smith
- Lisa Walters
- Paul H. Hagen, CPA (Audit Manager)
- Deborah L. Kerr, Ph.D. (Audit Director)

Background Information

The mission of the Office of Court Administration is to aid in the development of a more just, efficient, and timely judicial system for the citizens of the State of Texas. The agency was established by the 65th Legislature in 1977 to assist the justices and the judges of the various courts in discharging their administrative duties. The agency operates under the direction of the Supreme Court, assisting the court in the implementation of several statutorily assigned duties such as the equalization of appellate court dockets. The agency has developed automated caseflow management systems for appellate and trial courts. In addition, the agency assists the appellate courts in developing computer hardware and software systems and provides technical support as necessary.

The agency is also directed by statute to provide the necessary staff functions for the operation of the Texas Judicial Council. The Texas Judicial Council conducts studies on the judicial system and provides recommendations on improving the administration of justice in Texas to the Governor, Legislature, and the Supreme Court. Additionally, the agency performs the secretariat functions of several legislatively mandated judicial councils and committees. The committees include the following:

- Council of Chief Justices of the Courts of Appeals
- Judicial Committee on Court Funding
- Texas Judicial Council
- Council of Presiding Judges
- Judicial Districts Board
- State Board of Regional Judges for Title IV-D

The agency is authorized to employ court masters to hear child support enforcement cases. The agency contracts with the Office of the Attorney General to obtain state and federal funds under Title IV-D of the Social Security Act to provide for the salaries and travel expenses of the court masters and their administrative assistants. These individuals are hired and supervised by the nine presiding judges of the Administrative Judicial Regions. Appropriations allocated to the Title IV-D Court Masters and Administrative Assistants Program amount to \$3.2 million for fiscal year 1996.

The remaining programs operated by the agency will be funded with appropriations totaling \$1.1 million for fiscal year 1996. The other programs operated by the agency and the dollars allocated to each are listed below:

- Court Administration (\$850,000)
- Equalization of the Court of Appeals Dockets (\$35,000)
- Assistance to the Administrative Judicial Regions (\$190,000)
- Child Support Enforcement Assistance (\$50,000)

A new Administrative Director was appointed in September 1995.

Major Statutory Responsibilities

- I. Budget; Expenditures (Government Code, § 72.021)
 - A. Prepare and submit an estimated budget for the appropriation of funds necessary for the maintenance and operation of the judicial system.
 - B. Study and recommend expenditure and savings of funds appropriated for the maintenance and operation of the judicial system.
- II. Consultation and Assistance (Government Code, § 72.023)
 - A. Assist the justices and judges in discharging their administrative duties.
 - B. Consult with regional presiding judges and the administrative judges and assist them in discharging duties imposed by law or by a rule adopted by the Supreme Court.
 - C. To provide for efficient administration of justice, consult and assist court clerks, other court officers or employees, and other officers or employees of offices related to and serving a court.
 - D. To provide for uniform administration of the courts and efficient administration of justice, consult with and make recommendations to administrators and coordinators of the courts.
- III. Methods; Recommendations (Government Code, § 72.024)
 - A. Examine the judicial dockets, practices, and procedures of the courts and the administrative and business methods or systems used in the office of a clerk of a court or in an office related to and serving a court.
 - B. Recommend
 - 1. a necessary improvement to a method or system
 - 2. a form or other document used to record judicial business
 - 3. any other change that will promote the efficient administration of justice
 - C. Recommend to the Supreme Court appropriate means to implement this chapter.
- IV. Annual Report (Government Code, § 72.025)
 - A. Prepare an annual report of the activities of the agency

V. Rules (Government Code, § 72.026)

- A. Under the supervision of the Chief Justice, implement a rule of administration or other rules adopted by the Supreme Court for the efficient administration of justice.

VI. Additional Duties (Government Code, § 72.027)

- A. Other duties assigned by the Supreme Court or the Chief Justice of the Supreme Court.

VII. H.B. 979, 73rd Legislature

- A. Requires the agency to contract with the Office of the Attorney General to obtain state and federal funds to provide for the salaries and travel expenses of the Child Support Enforcement court masters and their administrative assistants.
- B. The agency provides information to the presiding judges of the Administrative Judicial Regions to help these individuals ensure that federal mandates related to the Child Support Enforcement Program are complied with.

Listing of Services and Products Provided by the Office of Court Administration

Service/Product	Statutory References (To the Government Code, unless otherwise stated)
PUBLICATIONS AND REPORTS:	
Annual Report	71.034(a); 71.034(b)
Reporting Forms	71.035(a); 71.035(b)
Judicial Directory	72.023(c)
Appellate Clerk Procedure Manual	72.023(c); 72.024(b)
District Clerk Procedure Manual	72.023(c); 72.023(d); 72.024(b)
County Clerk Procedure Manual	72.023(c); 72.023(d); 72.024(b)
Campaign and Election Report	72.027
Model Transcripts - Civil and Criminal	72.023(c); 72.023(d)
Annual Financial Report manual and assistance	72.021(a); 72.021(b)
Legislative Reports - daily, weekly, summary	71.033; 72.022(b)
Bail Bond Report	Art. 2372p-3, V.T.C.S.
Judicial Service Handbook and supplements	72.023(a); 72.023(b)
Courts of Appeals Report to the Supreme Court	72.023(a); 73.001
Equalization of Dockets Orders	
Presiding Judge Reports	72.023(b)
Child Support Enforcement Directory	72.023(c)
Judicial System Informational Pamphlets	72.023(c)
RESEARCH:	
Judicial Districts Board materials	Art. 5, 7a, Tx. Const.; 74, Subch. F. Gov't Code
Citizens Commission materials	72.027; Supreme Court Order #92-0016; Texas Judicial Council 10/11/91
Judicial needs survey	72.021(a); 72.021(b)
Courts of Appeals Redistricting materials	H.B. 1658, 69th Leg. (1985)
Court Fees research (Texas Judicial Council meeting book)	71.031
Standard Felony Judgment Form	Art. 42.01, 4, C.C.P.; 72.024(b), Gov't Code
Legislative Appropriations Request	72.021
Affirmative Action Plan	S.B. 5, Art. V, IOO, 3(a), 73rd Legislature, R.S.
Presiding Judges Reference Authority	72.023(b)
Packet for Retiring Judges	72.024(b)
Research for Supreme Court Rule Making	72.026
Select Committee on Historically Underutilized Businesses	72.023

Service/Product	Statutory References (To the Government Code, unless otherwise stated)
<p>MEETINGS:</p> <p>Judicial Committee on Court Funding meeting book Council of Chief Justices meeting books Conference of Regional Judges, Board of Regional Judges for Title IV-D meeting books Judicial Council Meeting books USAS Refresher Training State Property Accounting Appellate Clerks meeting book List of Fiscal Year 1995 Meetings, Seminars, and Conferences Title IV-D Masters and Assistants. Seminar meeting books</p>	<p>72.021 72.021 72.023(b) 72.022(b); 71.016 72.023(c) 72.023(c) 72.023(c) 72.023(a); 72.023(b); 72.023(c) 72.023(b)</p>
<p>DATA PROCESSING RELATED:</p> <p>Network Manual Software Sites Map Data Processing Staff Assistance Trips Software training seminars at meetings of professional organizations Law Library Automated equipment cost letter to 1st, 5th, and 14th Courts of Appeals Recommendations on automated equipment Training - dates, attendees Software, manuals, and training aids - Supreme Court Supreme Court Agenda Court of Criminal Appeals Court of Criminal Appeals Writ System Courts of Appeals Payroll Accounting Office Reporting Office of Court Administration Mail List Office of Court Administration Case Management Systems Appellate Courts District and County Title IV-D Court Master Caseflow System Justice of the Peace Courts Municipal Courts Link to Law Library, Supreme Court, Court of Criminal Appeals, Third Court of Appeals, and Office of Court Administration Internet Data processing staff at other agencies Americans with Disabilities Act sheet for blind judge Uniform State Payroll System Conversion</p>	<p>72.023, 72.027 72.023 72.023 72.023(c); 72.023(d) 72.023(c)(3) 72.023; 72.021(b) 72.023; 72.021(b) 72.023 72.023 72.023, 72.027 72.023 72.023(c)(3) 72.023; Americans with Disabilities Act 72.023(c)</p>