

Administrative Office of the Courts



2012 Supplemental Budget Development and Submittal Instructions

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Introduction

In December 2007, the Washington State Supreme Court officially adopted the first budget development and approval schedule for the judicial branch. The purpose of the schedule and the procedures that follow are to ensure that the budget development, review and submittal process is consistent and objective, providing several opportunities for review and discussion.

In this time of extreme economic stress, the need for systematic review and assessment of proposed budget requests is greater than ever before. Accordingly, the information included in the budget requests must be thorough, describing both the proposed outcomes and the impacts of non-funding.

The following schedule and procedures have been developed to support the Supreme Court Budget Committee's decision-making process as well as allowing stakeholder input at both the preliminary and detailed decision package stages.

All state judicial branch budget requests, whether for new funding or increases to existing funding, shall be subject to this process for final approval or endorsement by the Supreme Court as appropriate. The Supreme Court will approve, modify or deny funding proposals that are submitted for inclusion in the budget requests of the Administrative Office of the Courts (AOC) and Supreme Court.

Process Overview

Preliminary Budget Submission Due to AOC no later than April 22, 2011

Whether a proposed budget request is submitted by a judicial branch agency, an association, a board, a committee, or an external entity, progression of the request through each step is key and mandatory.

The Supreme Court Budget Committee (Budget Committee) will ask those organizations that submit a preliminary budget request to present their proposal(s) at a May 2011 meeting. The Budget Committee will use, among other factors, current and projected economic conditions, the principle policy objectives, and the strategic direction of the Judicial Branch as the context for evaluating each request as well as evaluating the proposed budget submittal in its entirety.

The Budget Committee will then forward a recommendation to the full Court, identifying proposals selected to move forward through the process.

The full Court will accept, reject or modify the Budget Committee's recommendations. Upon receipt of the final decision, the AOC will send status notification and further instructions to each requesting entity.

As stated above, preliminary budget submissions are due to AOC on **April 22, 2011**. The preliminary budget submittal form and AOC contact information can be found in **Appendices B and D**.

Detailed Budget Request Documentation Due to AOC no later than July 22, 2011

As previously noted, the Administrative Office of the Courts will inform organizations of the status of their proposed budget requests based upon direction given by the Supreme Court in June 2011.

Those entities having approved budget requests will then be allowed approximately six weeks to develop and submit detailed decision packages to AOC. Requesting entities are strongly encouraged to attend and present their cases at the August 2011 meeting of the Supreme Court Budget Committee. AOC budget staff will be available to assist with the development of the detailed decision packages.

Detailed decision packages are due to AOC on or before **July 22, 2011**.

The Supreme Court Budget Committee will again use the current and projected economic outlook and the policy objectives and priorities as the context for evaluating the detailed budget decision packages as well as evaluating the proposed budget submittal as a whole.

A recommendation for the final content of the 2012 supplemental budget request will be submitted by the Budget Committee to the full Court in September 2011. The full Court will then endorse, approve or modify the proposal. The final 2012 judicial branch supplemental budget request will then be submitted to the Legislature in October 2011.

The detailed budget development, review, and submittal schedule can be found in **Appendix A**.

Detailed Decision Package

Each decision package is a building block for constructing the budget request and the starting point for making a persuasive case for proposed change. The Supreme Court and Washington State Legislature will rely upon the information presented in the decision package when evaluating the request.

Decision packages organize and describe proposed cost changes, highlighting budget decisions and impacts. The decision package consolidates financial information, supporting justification, and the statement of impact for a specific action or policy proposed for inclusion in the budget.

Decision packages are required for any proposed change that will impact funding or staffing levels.

Please contact the Administrative Office of the Courts' Management Services Division if you have questions about decision packages. Contact information can be found in **Appendix D**.

Templates for the Preliminary Budget Submittal and for the detailed Decision Package can be found in **Appendix B**.

Decision package writing tips

Items to consider or remember while developing a decision package include the following.

- **Consider your audience.**
When developing the decision package, remember that the Supreme Court and Washington State Legislature are the ultimate audiences to whom you are writing. Both will need clear and concise information, not only to make funding recommendations and decisions, but also to communicate the recommendations and decisions to others who can influence the process.
- **Use plain English.**
Jargon and acronyms should be avoided. The narrative should be clear to an audience that may not be familiar with the issue being discussed.
- **Use peer review.**
Ask others to read, review and critique the narrative. Often those not immersed in the issue can identify areas in the narrative that could be strengthened or eliminated.
- **Emphasize the results and outcomes.**
The Supreme Court and the Legislature need to understand not only what is being purchased (goods and services), they also need to understand the benefits that will be derived.
- **The title of the decision package is part of the sales pitch.** Avoid titles like "*FTE Increase.*"
- **Graphs and tables may be useful.**
If a graph and/or table will add value, include it in the decision package.
- **Legislative staff has limited time; legislators have even less.**
The decision package should contain clear and concise language that addresses the issue, recommends a solution, and identifies the benefits.

The questions below should also be considered when developing a decision package.

- What do you want the reader to know?
- What do you want your reader to retain?
- Does the narrative emphasize facts, statistics and sources that are respected?

- Does the narrative fully and thoroughly explain assumptions?
- Does the narrative include sufficient (but not too much) background and explanation?
- Is the narrative convincing?
- Is the proposed solution congruent with the agency's mission?
- Why will the public be better off as a result of the proposed solution?
- How will you know you are getting the benefits? Are the benefits measurable?
- Is there a non-budgetary way to deal with the problem? Will changes to administrative policy, court rule or law suffice?
- Is the amount being requested too small?
- Is the problem currently visible to the public or policymakers? Are there newspaper articles, letters from the public, surveys or complaint tracking systems that can help support the proposal?
- Does the proposed solution address an urgent problem? How serious are the risks if action is not taken? Can existing fund sources be used or re-programmed to address the issue?
- Is the amount requested reasonable, considering the problem to be addressed? Are the details of what is being requested reasonable?
- Is there a way to accomplish it without adding FTEs?
- What is the economic outlook?

A sample decision package can be found in **Appendix C**.

Judicial Branch Principle Policy Objectives

The Judicial Branch Principle Policy Objectives (Objectives) noted below will be used to assess and prioritize budget requests submitted for consideration by the Washington State Supreme Court. All budget requests should be linked to an overall direction or set of goals and objectives. Accordingly, the Objectives are provided as anchor points for potential budget requests.

The Objectives should be used as the guiding principles or strategic framework upon which the budget request is built. The budget request narrative should provide a clear picture of how the new or enhanced program or activity will directly enhance or move towards fulfillment of one or more of the Objectives.

1. **Fair and Effective Administration of Justice in All Civil and Criminal Cases.** Washington courts will openly, fairly, efficiently and effectively administer justice in all criminal and civil cases, consistent with constitutional mandates and the judiciary's duty to maintain the highest level of public trust and confidence in the courts.
2. **Accessibility.** Washington courts, court facilities and court systems will be open and accessible to all participants regardless of cultural, linguistic, ability-based or other characteristics that serve as access barriers.
3. **Access to Necessary Representation.** Constitutional and statutory guarantees of the right to counsel shall be effectively implemented. Litigants with important interest at stake in civil judicial proceedings should have meaningful access to counsel.
4. **Commitment to Effective Court Management.** Washington courts will employ and maintain systems and practices that enhance effective court management.
5. **Appropriate Staffing and Support.** Washington courts will be appropriately staffed and effectively managed, and court personnel, court managers and court systems will be effectively supported.

Measures

Measurement – whether considering output, outcome or performance – is an important tool that decision-makers use when weighing the priority and impact of a proposed budgetary change.

The decision package template contains a section for the inclusion of measurement information. This information is not mandatory; however, an effort to quantify change that would occur as a result of new or increased funding will be to your advantage.

Measures should illustrate how the budget request would impact statewide strategies or objectives and allow the reader or decision-maker to easily understand the direct impact of the funding request on statewide objectives or strategies

A good measure:

- Indicates whether the activity is achieving its purpose or is contributing to statewide results.
- Is reliable, accurate, and verifiable.
- Is understandable and relevant to decision makers and stakeholders who may have little or no knowledge of the new or enhanced activity.
- Is stated in positive terms (or in terms of the desired outcome).
- Can be obtained at a reasonable cost and effort.
- Can stand alone and be understood.

Comparison of Outcome, Output and Efficiency Measures

What They Do	Examples
Outcome Measures	
<ul style="list-style-type: none"> • Show the impact of new or enhanced activities on problems/issues they are designed to address • Answer the question “What is different about the world?” • Capture societal impact, changes in behavior, knowledge or attitude, customer satisfaction, or technical quality, or vital signs of a process • Measure goals and objective attainment 	<ul style="list-style-type: none"> • Overall employment rate • Employment rate for job training participants • Percentage of employers rating job training program placements as “good” or “excellent” • Percentage of children who get a communicable disease that is preventable by vaccination • Job training application processing time
Output Measures	
<ul style="list-style-type: none"> • Show how much more or less of something was produced • Answer the question “What was done?” and “How did we get there?” • Measure success of strategies 	<ul style="list-style-type: none"> • Number of vehicle licenses issued • Number of vaccinations given • Number of students attending school • Number of offenders housed in correctional facilities
Efficiency or Effectiveness (Process) Measures	
<ul style="list-style-type: none"> • Show relationship between inputs and outputs (efficiency measures), or inputs and outcomes (effectiveness measures) • Answer the question, “What are the unit costs?” • Can also be used to track timeliness of service delivery • Usually expressed as a ratio, such as cost per unit, or units per FTE 	<ul style="list-style-type: none"> • Cost per training class delivered • Investigations per FTE • Average cost per offender per day supervised • Administrative cost per retirement benefit provided • Time to process a permit

Economic Outlook

Budget Context

The budget context below is based upon the March 17, 2011 forecast by the Economic and Revenue Forecast Council on March 18, 2011. Revised economic and revenue forecasts will be published in June 2011, September 2011 and November 2011. The AOC will send updated information as soon as possible after the revised forecasts have been released.

Current Biennium 2009-2011

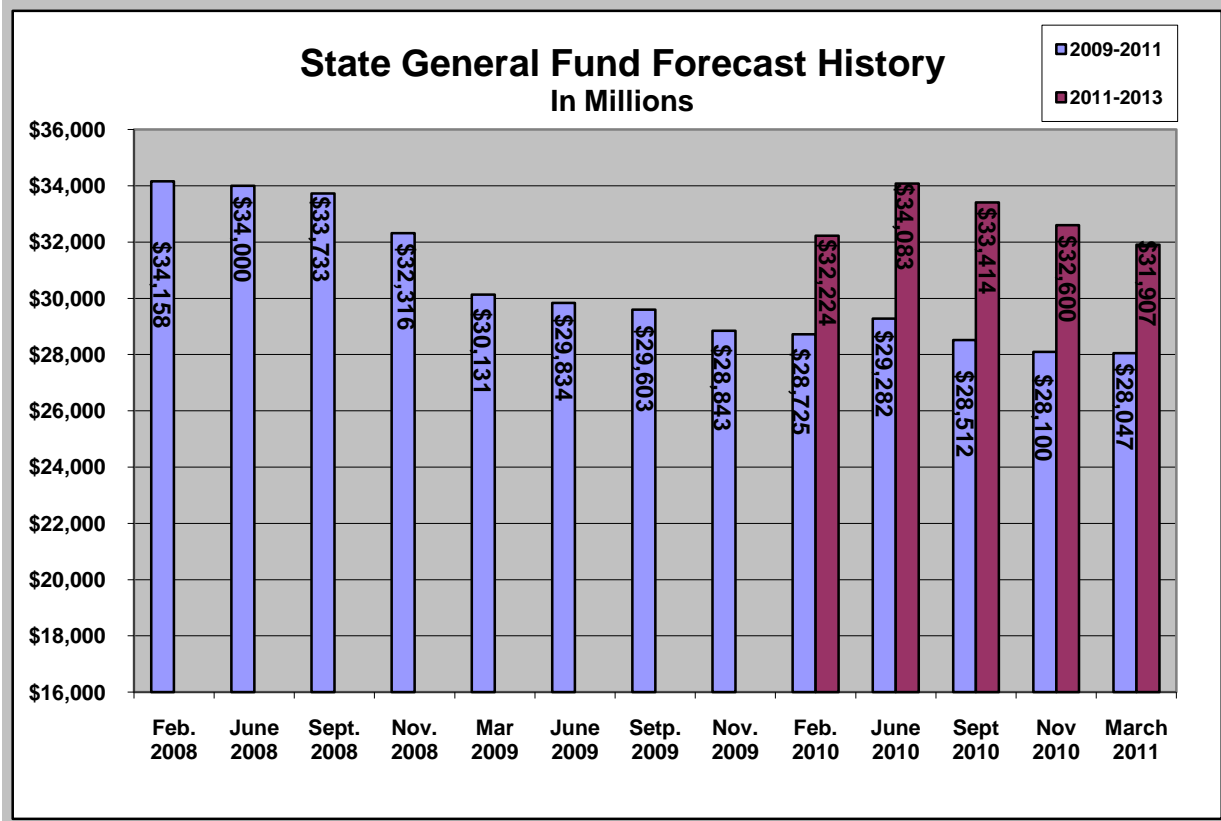
- **State General Fund-Revenue**
 - General fund collections through March 10, 2011 were 1.8% less than anticipated.
 - As of the March 17, 2011 forecast estimated revenues for the current biennium are projected to be down \$80 million.
- **State General Fund-Expenditures**
 - General fund expenditures for fiscal year 2011 have been reduced by \$733 million and another \$223 million has been captured in fund transfers and other means (HB 3225 and ESHB 1086).
 - The estimated fund balance based upon the revised 2009-2011 revenue, the reductions taken to date and the transfer of funds is \$79 million.
- **Judicial Information System Account (JIS)-Revenue**
 - Collections for the 2009-2011 biennium are on track.
 - Staff is closely watching infraction issuance, deferral and payment trends in order to predict material changes to revenue collection rates.
- **Judicial Information System Account (JIS)-Expenditures**
 - There are no issues or problems with the amount appropriated for the current biennium.

Ensuing Biennium 2011-2013

- **State General Fund-Revenue**
 - 2011-2013 general fund revenue collections are expected to be 13.9% greater than 2009-2011 collections, \$28 billion vs. \$31.9 billion.
- **State General Fund-Expenditures**
 - The combination of lower revenue collections and the current baseline general fund expenditure level is expected to result in a budget shortfall of \$5.1-\$6 billion, prior to expenditure adjustments made by the legislature.
- **Judicial Information System Account (JIS)-Revenue**
 - 2011-2013 collections are expected to remain at current levels, approximately \$38 million.

- **Judicial Information System Account (JIS)-Expenditures**
 - Baring a fund transfer, estimated expenditures will not exceed available resources.

The figures below represent the quarterly revenue collection forecast history for the state general fund as developed by the Economic and Revenue Forecast Council.



Current and Ensuing Biennia - Economic Outlook Summary

As indicated in the graph above, revenues for the current biennium have been reduced by over \$1.8 billion this biennium alone. If compared to the initial forecast in February 2008 then the forecast has been reduced by more than \$6 billion or 17.9%.

The 2011-2013 forecast has been reduced by \$2.2 billion or 6.4% since June 2010.

The reductions in actual and anticipated revenue collections are clear indications that very few, if any, requests for new or enhanced programs will be forwarded to the legislature for consideration.

Definitions

Recommendation Summary – A brief description of the purpose of a decision package. Text should be limited to 100 words or less.

Appropriation — A legal authorization to make expenditures and incur obligations for specific purposes from a specific account over a specific time period. Appropriations typically limit expenditures to a specific amount and purpose within a fiscal year or biennial timeframe. Only the Legislature can make appropriations in Washington State.

Biennialization — Converting expenditures that occurred for only part of a biennium into the amount needed for a full biennium of implementation.

Biennium – A two-year fiscal period. The Washington State biennium runs from July 1 of an odd-numbered year to June 30 of the next odd-numbered year.

Budget — A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Drivers — Caseload, economic or demographic factors that have a significant effect on the state budget. Examples include inflation rate changes and state population changes in certain age groups.

Efficiency Measure — A measure that shows the relationship between inputs (dollars or FTEs) to output or outcome.

Funds — A term that generally refers to monies or resources.

Fund Balance — Fund balance represents the excess of beginning balance and estimated revenues for the period over liabilities, reserves, and appropriations for the period.

General Fund-State (GF-S) — Refers to the basic account that receives revenue from Washington's sales, property, business and occupation, and other general taxes; and is spent for operations such as public schools, social services, and corrections.

Objectives — Measurable targets that describe specific results a service or program is expected to accomplish within a given time period.

Outcome Measure — A measure of the result of a service provided. This type of measure indicates the impact on the problem or issue the service or program was designed to achieve.

Output Measure — An indicator of how much work has been completed.

Performance Measure — A quantitative indicator that can be used to determine whether the activity is achieving or making progress toward some objective.

Proviso — Language in budget bills that places a condition on the use of appropriations. Example: “Up to \$500,000 of the General Fund-State appropriation is provided solely for five additional inspectors in the food safety program.”

Strategic Plan — A long-term comprehensive plan that represents an integrated set of decisions and actions designed to ensure that the intended goals and objectives of an agency are met.

Appendix A

2012 Supplemental Budget Request Development Milestones

MONTH	TASK	DATE DUE
March	AOC Distribute 2012 Supplemental Instructions	March 18, 2011
April	Preliminary Budget Submission Due to AOC <ul style="list-style-type: none"> • Brief description • Brief description of benefit/improvements to be gained by request • Dollar amount 	April 22, 2011
May	Supreme Court Budget Committee Review <ul style="list-style-type: none"> • Process and approach discussion; first review of preliminary requests • Presentation by requesting parties • Initial recommendation to En Banc 	May 2-6, 2011 May 9-20, 2011
June	Supreme Court En Banc Review <ul style="list-style-type: none"> • Review, modify, reject and/or approve preliminary recommendations 	June 8, 2011
July	Detailed Decision Packages due to AOC	July 22, 2011
August	Supreme Court Budget Committee <ul style="list-style-type: none"> • Review Detailed Decision Packages • Presentation by requesting parties • Final recommendations for En Banc 	August 8-12, 2011 August 22-26, 2011
September	Supreme Court En Banc Review <ul style="list-style-type: none"> • Review, modify, reject and/or approve preliminary recommendations Supreme Court En Banc Review (if needed) <ul style="list-style-type: none"> • Review, modify, reject and/or approve preliminary recommendations 	September 7, 2011 September 27, 2011
October	Submit Judicial Branch 2012 Supplemental Budget Request	October 2011

Appendix B

[Preliminary Budget Submission Template](#) (Due to AOC April 22, 2011)

For use by all Judicial Branch agencies.

[Detailed Decision Package Template](#) (Due to AOC July 22, 2011)

For use by all Judicial Branch agencies.

Appendix C

[Example Decision Package](#)

Appendix D

Administrative Office of the Courts Management Services Division

For assistance with the development of the preliminary budget submission, detailed decision package narrative and cost figures, or questions regarding process or procedure, please contact:

- Missy Young – Budget
(360) 705-5237
Missy.Young@Courts.wa.gov
- Renèe Lewis – Comptroller
(360) 704-4012
Renee.Lewis@Courts.wa.gov
- Ramsey Radwan – Director, Management Services Division
(360) 357-2406
Ramsey.Radwan@Courts.wa.gov