Legislative Appropriations Request

For Fiscal Years 2016 and 2017

Submitted to the
Governor's Office of Budget, Planning and Policy
and the Legislative Budget Board

by

First Court of Appeals

August 12, 2014

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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 criminal and civil trial courts. Since 2004, the yearly average of new appeals filed in the State of Texas is 10,086. This long term trend of new case filings in concert with an ever increasing number of cases eligible for expedited review clearly demonstrates that the workload within the appellate courts is significant. In order to effectively manage the demands being placed on the appellate courts, the courts must employ a highly skilled and trained professional workforce, including appellate court lawyers and clerical staff, who assist the justices of the court in disposing of cases and researching and writing opinions. This is critical to the court's ability to resolve these legal disputes and dispose of these appeals. The ability to maintain this highly skilled workforce in concert with handling an increase in case filings has been challenged in recent years.

The courts of appeal initiated steps to address this issue during the 79th and 80th Legislative Sessions, by collectively developing funding requests that sought necessary resources to similarly fund same-size appellate courts to: 1) create a career ladder for staff attorneys that would allow for the recruitment and retention of qualified attorneys; 2) reclassify the majority of law clerks as permanent staff attorneys; and 3) make salary adjustments for some non-legal staff to appropriately reflect levels of responsibility.

Going into the 81st Legislative Session, the courts updated the funding requests to continue the same-size court initiative of implementing a career ladder for attorneys by more closely matching court attorney salaries to attorney salaries in state agencies and county government; adding one or more permanent staff attorneys; and making appropriate salary adjustments for non-legal staff to reflect increasing levels of responsibility. The Legislature provided a portion of the requested funding, including attorney salaries (capped at a lower amount than requested) and an additional staff attorney position for most courts; however, the partial funding was provided in FY 2011 only. In the interim, as part of state leadership's directive to cut budgets in the face of the national economic downturn, the approved funding was reduced further, such that the courts were able to provide only some staff attorney salary adjustments, but not all courts were able to hire additional staff attorneys.

During the 82nd Legislative Session, the courts of appeal again expressed a critical need to continue working toward full implementation of similar funding for same size courts. However, the courts collectively decided not to pursue the needed resources due to the continuing economic challenges in Texas. The courts decided to only ask the Legislature not to reduce budgets for FY 2012-13. Despite these efforts, the economic downturn resulted in the courts' budgets being cut approximately 6% from levels appropriated in FY 2011.

The state leadership's directive to cut budgets during the 82nd Legislative Session, coupled with a legislative mandate to expedite the processing of parental termination cases and an increased number of case filings, imposed significant pressures on the courts' ability to meet performance objectives and dispose of cases in a timely manner.
In the 83rd Legislative Session, with the improving economy, the courts once again sought the funding necessary to enable the courts to meet their performance objectives and process appeals in a timely manner. The courts requested the funds necessary to fully implement the similar funding for same-sized courts initiative. For FY 2014-15, the Legislature provided half of the funding requested by the courts.
It is critical for the courts of appeals to continue working toward full implementation of the funding requests made in the 83rd Legislative Session . Funding the remaining half of the amount requested in the 83rd Legislative Session will assist the public's access to justice as the courts continue to meet the increasing demands being placed on them and will increase the courts' ability to meet their performance objectives and minimize backlogs in the appeal process.

Exceptional Item #1: Similar Funding for Same-Size Courts.
The courts of appeals continue to be challenged in their efforts to recruit and retain top quality staff. Moreover, increasing demands continue to threaten the court's ability to meet its performance objectives. In order to achieve the Court's mission, the First Court respectfully requests the remaining half of its previous request for similar funding for same-size courts. The funding needed to fully implement this initiative is $ 740,238 in the FY 2016-17 biennium. This amount will proportionally fund the First Court of Appeals in relation to similar-sized appellate courts and will enable recruitment and retention of professional staff with the requisite skills and

training to facilitate the appeals process.

Appellate work requires specialized knowledge with the ability to analyze cases on appeal, assist with court opinions, and facilitate the processing of appeals to conclusion. This requires personnel that possess the requisite skills that can be obtained only through professional experience. Generally, law clerks do not possess the skills necessary to maximize efforts to assist the court in its workload. In addition, entry level support staff lack the requisite skills to fully support the court in its workload. The minimum number of lawyers an appellate court must have to perform at a reasonably productive and efficient level is two lawyers to each judge. Loss of experienced court lawyers creates difficulties in timely processing of and disposing of appeals and in maintaining professional business practices. Funding of this item will allow the court to recruit and retain well qualified professional staff, which is a major factor in the court's ability to fulfill its core function of timely processing and disposing of appeals while maintaining the quality of justice to which the citizens of Texas are entitled, while meeting or exceeding performance measures and disposing of more cases in less time.

RIDER REQUESTS:

The court also requests the following with regard to the across-the-board riders found in Article IV (p. IV-42):

1) Retain Article IV rider, Sec 4, Appellate Court Exemptions
2) Retain article IV rider, Sec 5, Appn: Unexpended Balances Between Fiscal Years within the Biennium
3) Delete Article IV rider, Sec 7, Appellate Court Salary Limits
4) Retain Article IV rider, Sec 8, Interagency Contracts for Assigned Judges for Appellate Courts.
5) Retain Article IV rider, Sec 9, 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. The flexibility afforded by these measures enhances the court's management ability, and we seek continuation of these budget features.

The court seeks to delete the rider that establishes salary limits for the chief staff attorney or other permanent legal staff. The provision is antiquated as these positions are subject to the State of Texas Classification Plan.

INFORMATION TECHNOLOGY:

This court supports the consolidated budget approach represented in the biennial appropriations request of the Office of Court Administration. If the OCA's request is not fully funded for the 2016-17 biennium, this court would need additional funds to maintain its own, separate technology network.

CAPPS IMPLEMENTATION

This Court has been designated as an agency eligible for conversion to CAPPS during the 2016-17 biennium. The Office of Court Administration is seeking additional funds in its biennial budget request to be used in the implementation of CAPPS at the courts of appeals. The Court supports the consolidated budget approach represented in the biennial appropriations request of the OCA. If the OCA's request for CAPPS deployment is not fully funded for the 2016-17 biennium, this Court would need additional funds to implement CAPPS during the biennium, including and not limited to, funds for project management services, backfill of critical positions, training and management services, IT programming support, computer operating and system updates, operation documentation updates, and travel costs.

Note: on Appropriated Receipts – At the direction of the LBB & Governor's Office, this court has included appropriated receipts in the amount of $8,700, reflecting reimbursement for copies of opinions and other court documents. These amounts are merely an offset for additional expenses incurred by the court, and do not constitute additional funds available for general expenditures for the court. The amount can vary significantly from year to year.

Sincerely,
Sherry Radack, Chief Justice
First Court of Appeals

221 First Court of Appeals District; Houston

Goal / *Objective* / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
1 Appellate Court Operations					
1 *Appellate Court Operations*					
1 APPELLATE COURT OPERATIONS	3,926,207	4,207,346	4,349,628	4,274,629	4,274,629
TOTAL, GOAL 1	$3,926,207	$4,207,346	$4,349,628	$4,274,629	$4,274,629
TOTAL, AGENCY STRATEGY REQUEST	$3,926,207	$4,207,346	$4,349,628	$4,274,629	$4,274,629
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				$0	$0
GRAND TOTAL, AGENCY REQUEST	$3,926,207	$4,207,346	$4,349,628	$4,274,629	$4,274,629

221 First Court of Appeals District, Houston

Goal / *Objective* / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	3,567,444	3,863,060	4,025,078	3,950,079	3,950,079
SUBTOTAL	**$3,567,444**	**$3,863,060**	**$4,025,078**	**$3,950,079**	**$3,950,079**
Other Funds:					
573 Judicial Fund	273,350	273,350	273,350	273,350	273,350
666 Appropriated Receipts	42,913	28,436	8,700	8,700	8,700
777 Interagency Contracts	42,500	42,500	42,500	42,500	42,500
SUBTOTAL	**$358,763**	**$344,286**	**$324,550**	**$324,550**	**$324,550**
TOTAL, METHOD OF FINANCING	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**

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

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	$3,413,429	$0	$0	$0	$0
Regular Appropriations from MOF Table (2014-15 GAA)	$0	$3,783,550	$3,783,548	$0	$0
Regular Appropriations	$0	$0	$0	$3,950,079	$3,950,079
TRANSFERS					
Art IX, Sec 17.06 Salary Increase for General State Employees (2014-15 GAA)	$0	$6,010	$18,030	$0	$0
Sec.11, Article IV Special Provisions, Appn for Judicial Compensation (2014-15 GAA)	$0	$148,500	$148,500	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Strategy A.1.1, Appellate Court Operations (2012-13 GAA)					

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
GENERAL REVENUE					
	$154,015	$0	$0	$0	$0
Strategy A.1.1, Appellate Court Operations (2014-15 GAA)	$0	$(75,000)	$75,000	$0	$0
TOTAL, General Revenue Fund	**$3,567,444**	**$3,863,060**	**$4,025,078**	**$3,950,079**	**$3,950,079**
TOTAL, ALL GENERAL REVENUE	**$3,567,444**	**$3,863,060**	**$4,025,078**	**$3,950,079**	**$3,950,079**
OTHER FUNDS					
573 Judicial Fund No. 573					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	$273,350	$0	$0	$0	$0
Regular Appropriations from MOF Table (2014-15 GAA)	$0	$273,350	$273,350	$0	$0
Regular Appropriations	$0	$0	$0	$273,350	$273,350

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
OTHER FUNDS					
TOTAL, Judicial Fund No. 573	**$273,350**	**$273,350**	**$273,350**	**$273,350**	**$273,350**
666 Appropriated Receipts					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	$8,700	$0	$0	$0	$0
Regular Appropriations from MOF Table (2014-15 GAA)	$0	$8,700	$8,700	$0	$0
Regular Appropriations	$0	$0	$0	$8,700	$8,700
RIDER APPROPRIATION					
Art IX, Sec 8.03, Reimbursements and Payments (2012-13 GAA)	$34,213	$0	$0	$0	$0
Art IX, Sec 8.03, Reimbursements and Payments (2014-15 GAA)	$0	$19,736	$0	$0	$0

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
OTHER FUNDS					
TOTAL, Appropriated Receipts	**$42,913**	**$28,436**	**$8,700**	**$8,700**	**$8,700**
777 Interagency Contracts					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	$42,500	$0	$0	$0	$0
Regular Appropriations from MOF Table (2014-15 GAA)	$0	$42,500	$42,500	$0	$0
Regular Appropriations	$0	$0	$0	$42,500	$42,500
TOTAL, Interagency Contracts	**$42,500**	**$42,500**	**$42,500**	**$42,500**	**$42,500**
TOTAL, ALL OTHER FUNDS	**$358,763**	**$344,286**	**$324,550**	**$324,550**	**$324,550**
GRAND TOTAL	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2012-13 GAA)	46.0	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2014-15 GAA)	0.0	44.0	44.0	0.0	0.0
Regular Appropriations	0.0	0.0	0.0	44.0	44.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	(3.8)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	**42.2**	**44.0**	**44.0**	**44.0**	**44.0**

NUMBER OF 100% FEDERALLY FUNDED FTEs

2.C. Summary of Base Request by Object of Expense

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

221 First Court of Appeals District, Houston

OBJECT OF EXPENSE	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1001 SALARIES AND WAGES	$3,326,290	$3,777,433	$3,927,433	$3,852,433	$3,852,433
1002 OTHER PERSONNEL COSTS	$249,508	$167,561	$158,343	$159,094	$159,094
2001 PROFESSIONAL FEES AND SERVICES	$63,544	$1,248	$1,248	$1,248	$1,248
2003 CONSUMABLE SUPPLIES	$130	$16,637	$16,637	$16,637	$16,637
2005 TRAVEL	$5,079	$8,451	$8,451	$8,451	$8,451
2006 RENT - BUILDING	$54,239	$45,388	$45,388	$45,388	$45,388
2007 RENT - MACHINE AND OTHER	$5,117	$4,176	$4,176	$4,176	$4,176
2009 OTHER OPERATING EXPENSE	$216,597	$186,452	$187,952	$187,202	$187,202
5000 CAPITAL EXPENDITURES	$5,703	$0	$0	$0	$0
OOE Total (Excluding Riders)	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**
OOE Total (Riders)					
Grand Total	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**

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

84th 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 2013	Estimated 2014	Budgeted 2015	Requested 2016	Requested 2017
2	Postage	$0	$20,000	$20,000	$20,000	$20,000
6	Registrations/Training	495	3,217	3,217	3,217	3,217
7	Subscriptions/Periodicals	49,550	18,528	18,528	18,528	18,528
12	Maintenance & Repair - Equipment	399	1,850	1,850	1,850	1,850
13	Furniture & Equipment (Expensed)	15,766	3,692	3,692	3,692	3,692
24	Freight/Delivery	2,490	750	750	750	750
26	Books (expensed)	30,458	60,804	60,804	60,804	60,804
27	Membership Dues	11,398	11,425	11,425	11,425	11,425
28	Liability Insurance	5,594	6,124	6,124	6,124	6,124
37	Computer Software / Upgrades	3,173	1,995	1,995	1,995	1,995
38	Computer Parts and Supplies	200	2,100	2,100	2,100	2,100
45	Telephone/Communication Services	2,899	4,218	4,218	4,218	4,218
55	Computer Furn & Equip-Controlled	54,368	7,875	7,875	7,875	7,875
64	SORM Assessment	4,504	4,600	4,600	4,600	4,600
92	Fees	88	0	0	0	0
94	Awards	4,074	1,500	1,500	1,500	1,500
187	1% salary benefits fee	31,141	37,774	39,274	38,524	38,524
	Total, Operating Costs	**$216,597**	**$186,452**	**$187,952**	**$187,202**	**$187,202**

2.C.2. Capital Expenditure Detail
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)
Agency Code: 221 Agency: First Court of Appeals

Capital Expenditure Detail

Agency Code:	Court/Agency:	Strategy:			Prepared by:		Date:	Strategy:
221	First Court of Appeals	Appellate Court Operations			Kelly McIntosh/Chris Prine		8/4/2014	01
Itemization by Capital Expenditure Category		**Number of Units**	**Unit Cost**	**Expended FY 2013**	**Estimated FY 2014**	**Budgeted 2015**	**Requested 2016**	**Requested 2017**
Category	**Description of Items**							
5000	**Acquisition of Information**							
	Resource Technologies							
	Server	1	$5,703	5,703	0	0	0	0
	TOTAL			$5,703	$0	$0	$0	$0
	GRAND TOTAL: CAPITAL EXPENDITURES			$5,703	$0	$0	$0	$0

2.D. Summary of Base Request Objective Outcomes

84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

221 First Court of Appeals District, Houston

Goal/ *Objective* / **Outcome**		**Exp 2013**	**Est 2014**	**Bud 2015**	**BL 2016**	**BL 2017**
1 Appellate Court Operations						
1 Appellate Court Operations						
KEY	**1 Clearance Rate**					
		101.70%	102.00%	100.00%	100.00%	100.00%
KEY	**2 Percentage of Cases Under Submission for Less Than One Year**					
		98.00%	98.70%	99.00%	99.00%	99.00%
KEY	**3 Percentage of Cases Pending for Less Than Two Years**					
		99.00%	99.40%	99.00%	99.00%	99.00%

2.E. Summary of Exceptional Items Request

84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

	2016			2017			Biennium	
Priority Item	**GR and GR/GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**	**FTEs**	**GR and GR Dedicated**	**All Funds**
1 Similar Funding Same-Size Courts	$370,119	$370,119	3.0	$370,119	$370,119	3.0	$740,238	$740,238
Total, Exceptional Items Request	**$370,119**	**$370,119**	**3.0**	**$370,119**	**$370,119**	**3.0**	**$740,238**	**$740,238**
Method of Financing								
General Revenue	$370,119	$370,119		$370,119	$370,119		$740,238	$740,238
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	$370,119	**$370,119**		**$370,119**	**$370,119**		**$740,238**	**$740,238**
Full Time Equivalent Positions			**3.0**			**3.0**		
Number of 100% Federally Funded FTEs								

2.F. Summary of Total Request by Strategy
84th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : **8/4/2014**
TIME : **10:51:43AM**

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

Goal/*Objective*/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
1 Appellate Court Operations						
1 *Appellate Court Operations*						
1 APPELLATE COURT OPERATIONS	$4,274,629	$4,274,629	$370,119	$370,119	$4,644,748	$4,644,748
TOTAL, GOAL 1	**$4,274,629**	**$4,274,629**	**$370,119**	**$370,119**	**$4,644,748**	**$4,644,748**
TOTAL, AGENCY STRATEGY REQUEST	**$4,274,629**	**$4,274,629**	**$370,119**	**$370,119**	**$4,644,748**	**$4,644,748**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$4,274,629**	**$4,274,629**	**$370,119**	**$370,119**	**$4,644,748**	**$4,644,748**

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

Goal/*Objective*/STRATEGY	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
General Revenue Funds:						
1 General Revenue Fund	$3,950,079	$3,950,079	$370,119	$370,119	$4,320,198	$4,320,198
	$3,950,079	**$3,950,079**	**$370,119**	**$370,119**	**$4,320,198**	**$4,320,198**
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	**$4,274,629**	**$4,274,629**	**$370,119**	**$370,119**	**$4,644,748**	**$4,644,748**
FULL TIME EQUIVALENT POSITIONS	**44.0**	**44.0**	**3.0**	**3.0**	**47.0**	**47.0**

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

Goal/ *Objective* / **Outcome**	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
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	99.00%	99.00%			99.00%	99.00%
KEY 3 Percentage of Cases Pending for Less Than Two Years	99.00%	99.00%			99.00%	99.00%

221 First Court of Appeals District, Houston

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

Statewide Goal/Benchmark: 0 0
Service Categories:
Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
Output Measures:						
1	Number of Civil Cases Disposed	679.00	700.00	700.00	720.00	735.00
2	Number of Criminal Cases Disposed	588.00	734.00	610.00	620.00	635.00
Explanatory/Input Measures:						
1	Number of Civil Cases Filed	637.00	657.00	700.00	735.00	740.00
2	Number of Criminal Cases Filed	614.00	600.00	600.00	625.00	635.00
3	Number of Cases Transferred in	60.00	62.00	45.00	45.00	40.00
4	Number of Cases Transferred out	5.00	8.00	5.00	5.00	5.00
Objects of Expense:						
1001	SALARIES AND WAGES	$3,326,290	$3,777,433	$3,927,433	$3,852,433	$3,852,433
1002	OTHER PERSONNEL COSTS	$249,508	$167,561	$158,343	$159,094	$159,094
2001	PROFESSIONAL FEES AND SERVICES	$63,544	-$1,248	$1,248	$1,248	$1,248
2003	CONSUMABLE SUPPLIES	$130	$16,637	$16,637	$16,637	$16,637
2005	TRAVEL	$5,079	$8,451	$8,451	$8,451	$8,451
2006	RENT - BUILDING	$54,239	$45,388	$45,388	$45,388	$45,388
2007	RENT - MACHINE AND OTHER	$5,117	$4,176	$4,176	$4,176	$4,176
2009	OTHER OPERATING EXPENSE	$216,597	$186,452	$187,952	$187,202	$187,202
5000	CAPITAL EXPENDITURES	$5,703	$0	$0	$0	$0

221 First Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations — Statewide Goal/Benchmark: 0 0

OBJECTIVE: 1 Appellate Court Operations — Service Categories:

STRATEGY: 1 Appellate Court Operations — Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
TOTAL, OBJECT OF EXPENSE		**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**
Method of Financing:						
1	General Revenue Fund	$3,567,444	$3,863,060	$4,025,078	$3,950,079	$3,950,079
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$3,567,444**	**$3,863,060**	**$4,025,078**	**$3,950,079**	**$3,950,079**
Method of Financing:						
573	Judicial Fund	$273,350	$273,350	$273,350	$273,350	$273,350
666	Appropriated Receipts	$42,913	$28,436	$8,700	$8,700	$8,700
777	Interagency Contracts	$42,500	$42,500	$42,500	$42,500	$42,500
SUBTOTAL, MOF (OTHER FUNDS)		**$358,763**	**$344,286**	**$324,550**	**$324,550**	**$324,550**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$4,274,629**	**$4,274,629**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**
FULL TIME EQUIVALENT POSITIONS:		**42.2**	**44.0**	**44.0**	**44.0**	**44.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

221 First Court of Appeals District, Houston

GOAL:	1	Appellate Court Operations	Statewide Goal/Benchmark:	0 0
OBJECTIVE:	1	Appellate Court Operations	Service Categories:	
STRATEGY:	1	Appellate Court Operations	Service: 01 Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017

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.

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**
METHODS OF FINANCE (INCLUDING RIDERS):				**$4,274,629**	**$4,274,629**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$3,926,207**	**$4,207,346**	**$4,349,628**	**$4,274,629**	**$4,274,629**
FULL TIME EQUIVALENT POSITIONS:	**42.2**	**44.0**	**44.0**	**44.0**	**44.0**

3.B. Rider Revisions and Additions Request

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
221	First Court of Appeals	Kelly McIntosh/Chris Prine	August 4, 2014	Baseline

Current Rider Number	Page Number in 2014-15 GAA	Proposed Rider Language
4	IV-42	**Appellate Court Exemptions.** The following provisions of Article IX of this Act do not apply to the appellate courts: a. Article IX, § 6.10, Limitation on State Employment Levels b. Article IX, § 6.13, Performance Rewards and Penalties c. Article IX, §14.03, Limit on Expenditures - Capital Budget *Request continuation of this rider.*
5	IV-42	**Appropriation: Unexpended Balances Between Fiscal Years within the Biennium.** Any unexpended balances from appropriations made to the appellate courts for fiscal year ~~2014~~ 2016 are hereby appropriated to the same court for fiscal year ~~2015~~ 2017 for the same purposes. *Request continuation of this rider. Change years to reflect the new biennium.*
7	IV-42	~~**Appellate Court Salary Limits.** It is the intent of the Legislature that no intermediate appellate court may pay more than one chief staff attorney promoted or hired after September 1, 2013, more than $94,950 annually under this provision. Further, it is the intent of the Legislature that no intermediate appellate court may pay other permanent legal staff hired or promoted after September 1, 2013 more than $84,175 annually. This provision does not apply to law clerk positions at any appellate court.~~ *Request deletion of this rider. These positions are covered under the State of Texas Position Classification Act, which determines the classification and compensation range of each position in the courts (and all state agencies). Originally, this rider was used to distinguish salary increases given specifically to the courts for attorney salaries from across-the-board increases for all state employees. Subsequent legislatures have addressed this issue through directive riders in Article IX to ensure there is no overlap or duplication of salary actions for specific classes of state employees. Currently, staff attorneys at the courts of appeals are the only position classification employees across the state with a mandated ceiling on the amount they can earn that is lower than the maximum allowed by the Position Classification Plan.* *This rider is no longer necessary, thus, the courts request that it be deleted.*

8	**IV-42**	**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 ~~2012~~ 2016 and ~~2013~~ 2017, 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. *Request continuation of this rider. Change years to reflect the new biennium.*
9	**IV-42**	**Appellate Court Transfer Authority.** The Chief Justice of the Supreme Court of Texas, the Presiding Judge of the Court of Criminal Appeals, or the Chair of the Council of Chief Justices is authorized to transfer funds between appellate courts, notwithstanding any other provision in this Act and subject to prior approval of any transfer of funds by the Legislative Budget Board and the Governor. Any such transfer shall be made for the purpose of efficient and effective appellate court operations and management of court caseloads. *Request continuation of this rider.*

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

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Similar Funding Same-Size Courts		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 01-01-01 Appellate Court Operations		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	370,119	370,119
	TOTAL, OBJECT OF EXPENSE	**$370,119**	**$370,119**
METHOD OF FINANCING:			
1	General Revenue Fund	370,119	370,119
	TOTAL, METHOD OF FINANCING	**$370,119**	**$370,119**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.00	3.00

DESCRIPTION / JUSTIFICATION:

During the 83rd Legislative Session, the courts of appeals submitted a request to fully implement funding in their Similar Funding for Same-Size Courts initiative. The Legislature graciously approved half of the amounts requested by the courts of appeals. However, challenges remain in recruiting and retaining top quality staff, and increasing demands continue to threaten the court's ability to meet its performance objectives. In order to achieve the Court's mission, the First Court respectfully requests the remaining half of its previous request for similar funding for same-size courts. The funding needed to fully implement this initiative is $ 740,238 in the FY 2016-17 biennium. This amount will proportionally fund the First Court of Appeals in relation to similar-sized appellate courts and will enable recruitment and retention of professional staff with the requisite skills and training to facilitate the appeals process.

EXTERNAL/INTERNAL FACTORS:

Appellate work requires specialized knowledge with the ability to analyze cases on appeal, assist with court opinions, and facilitate the processing of appeals to conclusion. This requires personnel that possess the requisite skills that can be obtained only through professional experience. Generally, law clerks do not possess the skills necessary to maximize efforts to assist the court in its workload. In addition, entry level support staff lack the requisite skills to fully support the court in its workload. The minimum number of lawyers an appellate court must have to perform at a reasonably productive and efficient level is two lawyers to each judge. Loss of experienced court lawyers creates difficulties in timely processing of and disposing of appeals and in maintaining professional business practices. Funding of this item will allow the court to recruit and retain well qualified professional staff, which is a major factor in the court's ability to fulfill its core function of timely processing and disposing of appeals while maintaining the quality of justice to which the citizens of Texas are entitled, while meeting or exceeding performance measures and disposing of more cases in less time.

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

Code Description	Excp 2016	Excp 2017
Item Name: Similar Funding Same-Size Courts		
Allocation to Strategy: 1-1-1 Appellate Court Operations		
STRATEGY IMPACT ON OUTCOME MEASURES:		
1 Clearance Rate	100.00%	100.00%
2 Percentage of Cases Under Submission for Less Than One Year	100.00%	100.00%
3 Percentage of Cases Pending for Less Than Two Years	100.00%	100.00%
OBJECTS OF EXPENSE:		
1001 SALARIES AND WAGES	370,119	370,119
TOTAL, OBJECT OF EXPENSE	**$370,119**	**$370,119**
METHOD OF FINANCING:		
1 General Revenue Fund	370,119	370,119
TOTAL, METHOD OF FINANCING	**$370,119**	**$370,119**
FULL-TIME EQUIVALENT POSITIONS (FTE):	3.0	3.0

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

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

Statewide Goal/Benchmark: 0 - 0
Service Categories:
Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2016	Excp 2017
STRATEGY IMPACT ON OUTCOME MEASURES:			
1	Clearance Rate	100.00 %	100.00 %
2	Percentage of Cases Under Submission for Less Than One Year	100.00 %	100.00 %
3	Percentage of Cases Pending for Less Than Two Years	100.00 %	100.00 %
OUTPUT MEASURES:			
1	Number of Civil Cases Disposed	60.00	60.00
2	Number of Criminal Cases Disposed	45.00	45.00
EXPLANATORY/INPUT MEASURES:			
1	Number of Civil Cases Filed	55.00	55.00
2	Number of Criminal Cases Filed	40.00	40.00
3	Number of Cases Transferred in	10.00	10.00
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	370,119	370,119
	Total, Objects of Expense	**$370,119**	**$370,119**
METHOD OF FINANCING:			
1	General Revenue Fund	370,119	370,119
	Total, Method of Finance	**$370,119**	**$370,119**
FULL-TIME EQUIVALENT POSITIONS (FTE):		3.0	3.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Similar Funding Same-Size Courts

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2012 - 2013 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	HUB Expenditures FY 2012 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2012	HUB Expenditures FY 2013 % Goal	% Actual	Diff	Actual $	Total Expenditures FY 2013
24.6%	Other Services	24.6 %	11.1%	-13.5%	$457	$4,113	24.6 %	20.1%	-4.5%	$4,074	$20,318
21.0%	Commodities	21.0 %	15.9%	-5.1%	$14,347	$90,063	21.0 %	79.1%	58.1%	$39,295	$49,686
	Total Expenditures		**15.7%**		**$14,804**	**$94,176**		**62.0%**		**$43,369**	**$70,004**

B. Assessment of Fiscal Year 2012 - 2013 Efforts to Meet HUB Procurement Goals

Attainment:

The agency more than exceeded the applicable statewide HUB procurement goals in FY2012 and FY2013 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 2012 or fiscal year 2013 since the agency did not have any strategies or programs related to these categories.

Factors Affecting Attainment:

In fiscal year 2012 and 2013, 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 2012, the goal of "Commodities" category were not met due to the following:

- the lowest bid was from a non-hub vendor
- only source available

In fiscal year 2013, the goal of "Commodities" were exceeded due to the following:

- major purchases were made with HUB vendors

"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 TBPC state term contracts 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 2016-17 GAA BILL PATTERN	$	780,000

Fund Name

Estimated Beginning Balance in FY 2014		
Estimated Revenues FY 2014	$	305,000
Estimated Revenues FY 2015	$	390,000
FY 2014-15 Total	$	695,000
Estimated Beginning Balance in FY 2016		
Estimated Revenues FY 2016	$	390,000
Estimated Revenues FY 2017	$	390,000
FY 2016-17 Total	$	780,000

Constitutional or Statutory Creation and Use of Funds:

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 costs 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 expenses for those courts.

Method of Calculation and Revenue Assumptions:

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.

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

	REVENUE LOSS			REDUCTION AMOUNT			TARGET
Item Priority and Name/ Method of Financing	**2016**	**2017**	**Biennial Total**	**2016**	**2017**	**Biennial Total**	
1 10% GR-RELATED REDUCTION							
Category: Programs - Service Reductions (Other)							
Item Comment: A 10% reduction in the First Court's General Revenue (GR) will result in the loss of two permanent staff attorneys; the loss of three administrative assistant type positions, and one Deputy Clerk II. The loss of two permanent staff attorneys represents 10% of the Court's permanent legal staff. The loss of three administrative assistant type position and Deputy Clerk II represent 33% of the Court's upper-level administrative staff. As an alternative, the Court could implement across the board reductions in salaries. Such reductions would drop salaries significantly below other comparable positions in both the public and private sectors and will likely deter top applications from applying with the Court. A reduction equates to $721,892 of the Court's biennial funds. A reduction of this magnitude will devastate the Court's ability to fulfill its mission of providing timely appellate review to the ten counties in its jurisdiction. Because a majority of the Court's funding is dedicated to salaries, and because the Court has previously reduced its operating expenses to the lowest possible amount, a 10% reduction can be achieved only through eliminating positions or lowering salaries. If implemented, the Court will no longer have the recourses needed to timely process and decide appeals. The cuts and reductions necessitated by a 10% reduction in GR will adversely affect clearance rates, contribute to a significant backlog in case dispositions, and clog the Court's docket with pending cases.							
Strategy: 1-1-1 Appellate Court Operations							
General Revenue Funds							
1 General Revenue Fund	$0	$0	$0	$360,946	$360,946	$721,892	
General Revenue Funds Total	**$0**	**$0**	**$0**	**$360,946**	**$360,946**	**$721,892**	
Item Total	**$0**	**$0**	**$0**	**$360,946**	**$360,946**	**$721,892**	
FTE Reductions (From FY 2016 and FY 2017 Base Request)				**6.0**	**6.0**		
AGENCY TOTALS							
General Revenue Total				**$360,946**	**$360,946**	**$721,892**	**$721,892**
Agency Grand Total	**$0**	**$0**	**$0**	**$360,946**	**$360,946**	**$721,892**	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2016 and FY 2017 Base Request)				**6.0**	**6.0**		

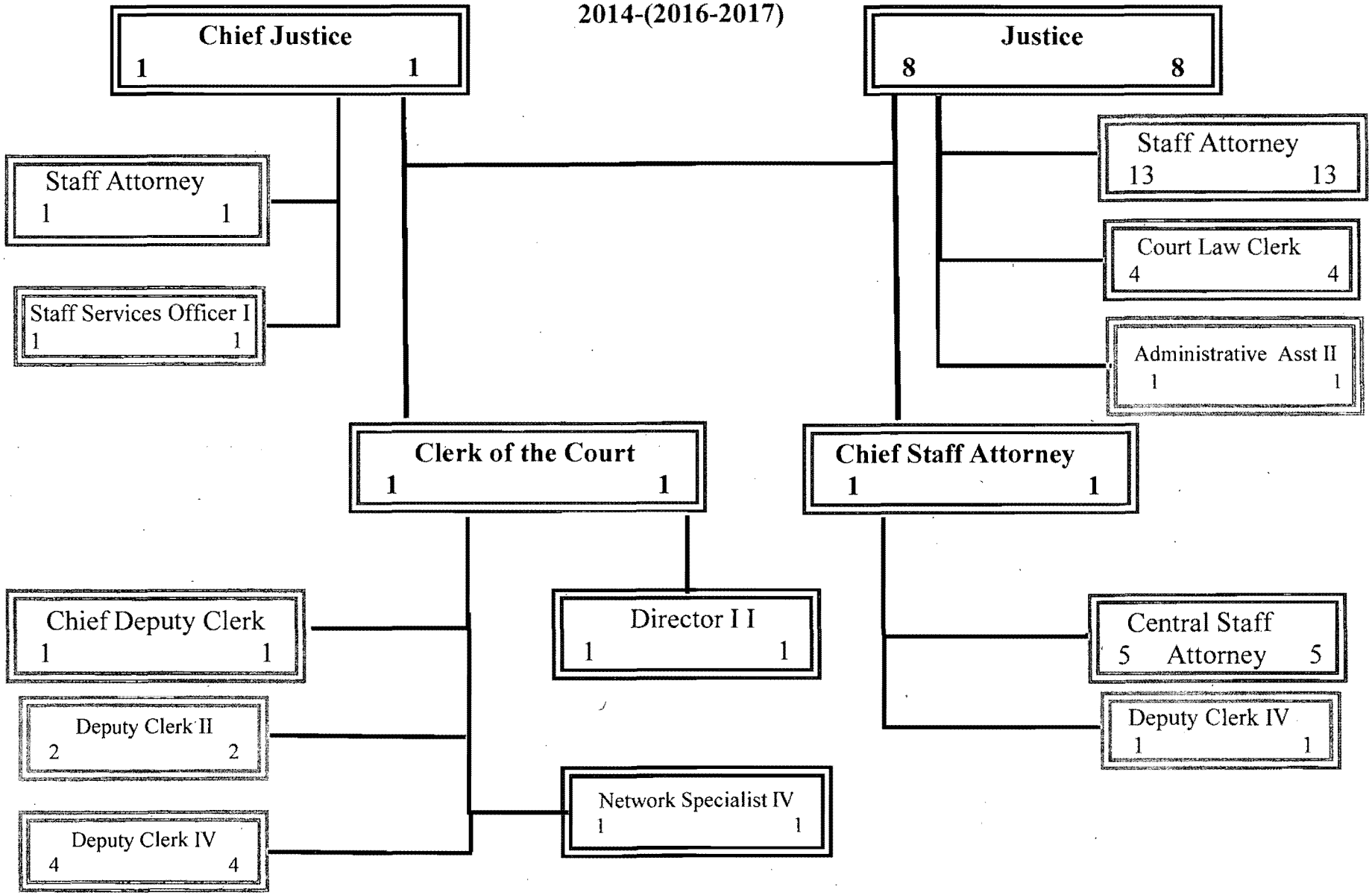
Agency code: **221** Agency name: **First Court of Appeals District, Houston**

Strategy		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1-1-1	**Appellate Court Operations**					
OBJECTS OF EXPENSE:						
1001	SALARIES AND WAGES	$3,326	$3,777	$3,927	$3,852	$3,852
1002	OTHER PERSONNEL COSTS	249	168	158	159	159
2001	PROFESSIONAL FEES AND SERVICES	64	1	1	1	1
2003	CONSUMABLE SUPPLIES	1	17	17	17	17
2005	TRAVEL	51	85	85	85	85
2006	RENT - BUILDING	54	45	45	45	45
2007	RENT - MACHINE AND OTHER	51	42	42	42	42
2009	OTHER OPERATING EXPENSE	217	186	188	187	187
5000	CAPITAL EXPENDITURES	57	0	0	0	0
	Total, Objects of Expense	**$4,070**	**$4,321**	**$4,463**	**$4,388**	**$4,388**
METHOD OF FINANCING:						
1	General Revenue Fund	4,070	4,321	4,463	4,388	4,388
	Total, Method of Financing	**$4,070**	**$4,321**	**$4,463**	**$4,388**	**$4,388**
FULL-TIME-EQUIVALENT POSITIONS (FTE):		**4.4**	**4.4**	**4.4**	**4.4**	**4.4**

DESCRIPTION

The administrative and support costs in this strategy are related to the percentage of salaries and related operating costs of court personnel performing administrative functions.

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

		Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
GRAND TOTALS						
Objects of Expense						
1001	SALARIES AND WAGES	$3,326	$3,777	$3,927	$3,852	$3,852
1002	OTHER PERSONNEL COSTS	$249	$168	$158	$159	$159
2001	PROFESSIONAL FEES AND SERVICES	$64	$1	$1	$1	$1
2003	CONSUMABLE SUPPLIES	$1	$17	$17	$17	$17
2005	TRAVEL	$51	$85	$85	$85	$85
2006	RENT - BUILDING	$54	$45	$45	$45	$45
2007	RENT - MACHINE AND OTHER	$51	$42	$42	$42	$42
2009	OTHER OPERATING EXPENSE	$217	$186	$188	$187	$187
5000	CAPITAL EXPENDITURES	$57	$0	$0	$0	$0
	Total, Objects of Expense	**$4,070**	**$4,321**	**$4,463**	**$4,388**	**$4,388**
Method of Financing						
1	General Revenue Fund	$4,070	$4,321	$4,463	$4,388	$4,388
	Total, Method of Financing	**$4,070**	**$4,321**	**$4,463**	**$4,388**	**$4,388**
	Full-Time-Equivalent Positions (FTE)	**4.4**	**4.4**	**4.4**	**4.4**	**4.4**

Organizational Chart
First Court of Appeals
2014-(2016-2017)