

II. A. Salary Budgets

Chief Judge Discretionary Fund Analysis:

As part of the FY 2014-15 Special Pay Issue for Court Employees approved by the Supreme Court, the trial courts were provided \$600,124 to be used at the chief judges' discretion for circuit specific issues relating to retention and recruitment. Through March 31, 2015, 15 of the 20 circuits have distributed a portion or all of the chief judge discretionary funds provided to them as part of the plan, and five circuits have not spent any of these funds. There have been a few inquiries regarding the chief judge discretionary funds that require additional policy considerations by the Trial Court Budget Commission. Inquiries to date are: 1) if rate generated by vacant positions could be available to replenish funds from the Chief Judge Discretionary Fund; 2) if unspent funds can be carried forward into the new fiscal year; and 3) if an employee that has received an increase leaves, can those funds be returned back to the circuit for redistribution.

These inquiries prompted the Office of the State Courts Administrator (OSCA) staff to consult with the Chair of the Trial Court Budget Commission for permission to analyze these issues and to offer recommendations on whether or not an equitable process could be developed to replenish the Chief Judge Discretionary Fund on a recurring basis. The methodologies that have been analyzed do not indicate there is an equitable and uniform process to redistribute funds back to the circuits.

The following methodologies were examined and policy considerations identified:

- Distribute rate that is generated by an individual circuit (e.g. X%) back to the circuit, up to a specific set "allowance". This process could potentially not generate any rate for a circuit in which the majority of positions are at minimum and could continuously provide another circuit with funding each time a position is vacated.
- Track the individual positions which received increases specifically from the Chief Judges Discretionary Fund and return the rate distribution back to the circuit when the employee vacates the position. This would be very cumbersome to track, especially when the process crosses over into multiple fiscal years.

- Set funds aside at the statewide level to address specific issues that fall outside of the current flexibility provided in the Budget and Pay Memorandum and have circuits submit requests to the TCBC or TCBC subcommittee for review and approval. This process could create a risk of first come/first serve and remove the chief judge as the approver on these types of requests.

At this time, the staff recommendation is to: 1) allow circuits to carry forward any unspent Chief Judge Discretionary Funds remaining as of June 30, 2015, for use in FY 2015-16; 2) after the FY 2015-16 payroll projections are completed, determine if sufficient dollars are available for an additional rate distribution to be added to the Chief Judge Discretionary Fund to address retention and recruitment issues as they arise in the new fiscal year; 3) consider a policy regarding current year funds for when an employee leaves after a distribution has been made, e.g., if an employee who receives a special pay increase leaves within 60 days, those funds would be provided back to a circuit for redistribution; and 4) allow amendment to the "Special Pay Issue Adjustment Certification" form for reflection of the type of action being addressed.

Options:

1. Approve recommendations.
2. Deny recommendations.