

**ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS**

*Salaries and Expenses*

**SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS**

<b>Fiscal Year 2022 Estimated Appropriation</b>	<b>\$104,128,000</b>
<b>Fiscal Year 2023 Appropriation Request</b>	<b>\$111,261,000</b>
<b>Requested Increase from Fiscal Year 2022 Estimated Appropriation</b>	<b>\$7,133,000</b>

**APPROPRIATION LANGUAGE**

**ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS**

**SALARIES AND EXPENSES**

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, [\$104,128,000] \$111,261,000, of which not to exceed \$8,500 is authorized for official reception and representation expenses.

**SUMMARY OF REQUEST  
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS  
FISCAL YEAR 2023  
(Dollar amounts in thousands)**

**Fiscal Year 2023 Resource Requirements:**

<u>Page</u>		<u>FTEs</u>	<u>Amount</u>
	<b>Fiscal Year 2022 Obligations. . . . .</b>	<b>1,392</b>	<b>\$256,963</b>
	Estimated FY 2022 fee collections. . . . .	-	(8,612)
	Fee carryforward from FY 2021 into FY 2022 . . . . .	-	(8,648)
	Carryforward from Judiciary Information Technology Fund. . . . .	-	(2,002)
	Reimbursable Programs . . . . .	<b>(749)</b>	<b>(133,573)</b>
	<b>Fiscal Year 2022 Estimated Appropriation. . . . .</b>	<b>643</b>	<b>\$104,128</b>

**Adjustments to Base to Maintain Current Services:**

**A. Personnel**

*Pay and benefit adjustments*

8.18	1. Proposed January 2023 pay adjustment . . . . .	-	3,579
8.18	2. Annualization of January 2022 pay adjustment . . . . .	-	540
8.18	3. Promotions and within-grade increases. . . . .	-	817
8.18	4. One less compensable day. . . . .	-	(450)
	5. Benefits increases . . . . .		
8.18	a. Health benefits . . . . .	-	169
8.19	b. FICA adjustment . . . . .	-	100

<u>Page</u>		<u>FTEs</u>	<u>Amount</u>
	<b>B. Other Adjustments</b>		
8.19	6. Inflationary increases in charges for contracts, services, supplies, and equipment. . . . .	-	112
8.19	7. Increase in requirements to maintain FY 2022 service levels due to anticipated decrease in non-appropriated funds. . . . .	-	1,257
8.19	8. Annualization of new positions requested in FY 2022 . . . . .		

8.19	a. Office of Compliance and Risk (annualization of 1 pos) . . . . .	0.5	100
8.20	b. Procurement Reform (annualization of 6 pos). . . . .	3.0	603
	<b>Subtotal, Adjustments to Base to Maintain Current Services . . . . .</b>	<b>3.5</b>	<b>6,827</b>
	<b>Total Current Services Appropriation Required . . . . .</b>	<b>646.5</b>	<b>110,955</b>
	<b><u>Program Increases:</u></b>		
8.20	10. Contractor Suitability (2 pos). . . . .	<b>1.0</b>	<b>204</b>
8.20	11. Office of Compliance and Risk (1 pos). . . . .	<b>0.5</b>	<b>102</b>
	<b>Total Fiscal Year 2023 Appropriation Required . . . . .</b>	<b>648</b>	<b>111,261</b>
	<b>Total Appropriation Increase, Fiscal Year 2022 to Fiscal Year 2023. . . . .</b>	<b>5</b>	<b>7,133</b>
	<b><u>Financing the Fiscal Year 2023 Request:</u></b>		
	<b>Total Appropriation Required. . . . .</b>	<b><u>648</u></b>	<b><u>111,261</u></b>
8.21	Estimated FY 2023 fee collections . . . . .	-	8,108
8.21	Estimated fee carryforward from FY 2022 into FY 2023. . . . .	-	7,895
8.21	Reimbursable programs . . . . .	782	145,272
8.22	Contractor Insourcing . . . . .	<u>33</u>	<u>5,091</u>
	<b>Estimated Obligations, Fiscal Year 2023 . . . . .</b>	<b>1,463</b>	<b>277,627</b>

**ADMINISTRATIVE OFFICE**  
**Salaries and Expenses**  
**Obligations by Activity (\$000)**

Activity	FY 2021 Actual	FY 2022 Assumed	FY 2023 Request
Program Direction and Policy Formulation	87,894	97,523	106,606
Program Services	43,859	46,815	48,660
Administrative Services	52,823	61,933	66,566
Technology Services	49,176	50,692	55,796
<b>Total Obligations</b>	<b>233,752</b>	<b>256,963</b>	<b>277,627</b>
Unobligated Balance, Start of Year: Judiciary Information Technology Fund	(4,626)	(2,002)	-
Deposits and Other Adjustments: Judiciary Information Technology Fund	(1,590)	-	-
Unobligated Balance, End of Year: Judiciary Information Technology Fund	2,002	-	-
<i>Subtotal, Other Obligations</i>	<i>(4,214)</i>	<i>(2,002)</i>	-
<b>Direct Obligations</b>	<b>229,538</b>	<b>254,961</b>	<b>277,627</b>
Offsetting Collections			
Federal Funds	(19,192)	(17,260)	(16,003)
Reimbursable Programs	(114,671)	(133,573)	(150,363)
<i>Salaries and Expenses</i>	<i>(93,366)</i>	<i>(103,541)</i>	<i>(116,924)</i>
<i>Electronic Public Access</i>	<i>(13,352)</i>	<i>(16,250)</i>	<i>(16,777)</i>
<i>Defender Services</i>	<i>(6,171)</i>	<i>(8,776)</i>	<i>(10,513)</i>
<i>Court Security</i>	<i>(1,782)</i>	<i>(5,006)</i>	<i>(6,149)</i>
<b>Available Appropriation</b>	<b>\$95,675</b>	<b>\$104,128</b>	<b>\$111,261</b>

**ADMINISTRATIVE OFFICE**  
**Salaries and Expenses**  
**Obligations by Budget Object Class (\$000)**

Description	FY 2021 Actual	FY 2022 Assumed	FY 2023 Request
1100 Personnel compensation	164,663	181,582	200,169
1200 Personnel benefits	57,894	63,615	67,462
1300 Benefits for former personnel	51	23	23
2100 Travel	44	1,382	1,415
2200 Transportation of things	138	139	142
2330 Communications, utilities, & misc	513	585	599
2400 Printing and reproduction	103	158	162
2500 Other services	3,705	4,784	4,898
2600 Supplies and materials	135	997	1,021
3100 Equipment	792	1,696	1,736
4200 Claims	-	-	-
9100 Undefined Disbursements (JITF Deposit)	1,500	-	-
<b>Direct Obligations</b>	<b>229,538</b>	<b>254,961</b>	<b>277,627</b>
Other Obligations (JITF Obligations)	4,214	2,002	-
<b>Total Obligations</b>	<b>233,752</b>	<b>256,963</b>	<b>277,627</b>

**ADMINISTRATIVE OFFICE**  
**Salaries and Expenses**  
**Full-Time Equivalents by Activity**

Activity	FY 2021 Actual	FY 2022 Assumed	FY 2023 Request
Program Direction and Policy			
Formulation	203	231	242
Program Services	317	352	352
Administrative Services	367	446	463
Technology Services	319	363	406
<b>Total, Full-Time Equivalents</b>	<b>1,207</b>	<b>1,392</b>	<b>1,463</b>
Less: Reimbursable Positions	(605)	(749)	(815)
<i>Salaries and Expenses</i>	489	594	647
<i>Electronic Public Access</i>	74	85	85
<i>Defender Services</i>	33	46	54
<i>Court Security</i>	9	24	29
<b>Total, Direct Full-Time Equivalents</b>	<b>602</b>	<b>643</b>	<b>648</b>

**ADMINISTRATIVE OFFICE**  
**Salaries and Expenses**  
**Relation of Direct Obligations to Outlays (\$000)**

	FY 2021 Actual	FY 2022 Assumed	FY 2023 Request
Direct obligations incurred	229,538	254,961	277,627
Obligated balance, unpaid obligations, start of year	3,580	15,076	16,746
Recoveries of prior year unpaid obligations	0	0	0
Adjustments of prior year activity	(3,580)	2,080	2,169
Obligated balance, unpaid obligations, end of year	<u>(15,076)</u>	<u>(16,746)</u>	<u>(18,234)</u>
<b>Total Outlays</b>	<b>214,462</b>	<b>255,371</b>	<b>278,307</b>
Less Offsets	<u>(118,787)</u>	<u>(150,833)</u>	<u>(166,366)</u>
Net Outlays	95,675	104,538	111,941

## GENERAL STATEMENT AND INFORMATION

This appropriation is for the necessary expenses of the Administrative Office of the United States Courts (AO), pursuant to 28 U.S.C. §§ 601-613. Created by an Act of Congress in 1939, the AO is the central support entity for the judicial branch. It supports and serves the federal judiciary in carrying out its constitutional mission to provide equal justice under the law. The fiscal year (FY) 2023 request for the AO account totals \$110,011,000 to support staff and operating expenses at a current services level and program increases to: 1) increase employee contractor suitability staff to support continuity of operations for AO contractors and expand future contractor suitability and background investigations; and (2) expand the AO's new Office of Compliance and Risk, which will strengthen the AO's approach to analyzing and addressing enterprise-level risks.

The AO provides administrative, legal, financial, management, program, security, and information technology services to the federal courts and court units and federal defender offices. It provides support and staff counsel to the Judicial Conference of the United States and its committees, and it implements Judicial Conference policies as well as applicable federal statutes and regulations. The AO has central responsibility for communication and coordination within the judiciary and with Congress, the executive branch, and the public on behalf of the judiciary. The AO's lawyers, court administrators, accountants, systems engineers, analysts, architects, statisticians, security experts, and other staff provide professional services to meet the needs of judges and staff working in the federal courts and federal defender offices nationwide. These services include:

- ▶ performing central payroll, personnel, accounting, and procurement functions;
- ▶ developing and executing the judiciary's budget and guiding local court and federal defender budget execution;
- ▶ collecting and analyzing statistics on court, probation and pretrial, and federal defender workload;
- ▶ auditing judiciary financial operations;
- ▶ monitoring and reviewing program performance and use of resources;
- ▶ developing and supporting automated systems and technologies used throughout the courts and federal defender offices;
- ▶ coordinating construction and management of judiciary facilities with the General Services Administration (GSA);
- ▶ monitoring U.S. Marshals Service (USMS) implementation of the Judicial Facility Security Program;
- ▶ defining court and federal defender resource needs through caseload forecasts and work measurement analyses;
- ▶ providing program leadership and support for circuit executives, clerks of court, probation and pretrial services officers, federal defenders, and other managers; and
- ▶ developing and conducting education and training programs focused on improving court administration and operations.



The AO’s mission is to support the federal judiciary and the public it serves by providing operational, technical, and administrative tools and expertise; national policies; guidance; and a collective voice for the judiciary. This mission reinforces the AO’s focus on delivering excellent support to the courts, court units, and federal defender organizations, effectively and efficiently, by the AO’s most valued asset – a talented, dedicated, diverse, and engaged workforce. At the same time this mission underlines the AO’s imperative to maintain an exemplary workplace; continually strengthen its security posture; maintain effective communication channels and tools; and to foster collaboration and partnerships that strengthen understanding, trust, and confidence in the AO and the judiciary. One way the AO works at achieving its mission is through measuring and responding to employee feedback. In November 2021 the AO conducted its fourth employee viewpoint survey, administered by the Office of Personnel Management. As was done for previous surveys (2015, 2017, 2019), an AO-wide Employee Engagement Task Force will assess the results and recommend actions for continuous improvement.

A table of selected workload indicators for the AO follows:

**Table 8.1 Selected AO Fiscal Year 2022 Projected Workload Indicators**

<b>Indicators</b>	<b>Number</b>
Active and senior judges (Article III, bankruptcy, magistrate, and Court of Federal Claims)	2,466
Court staff (Appellate, district, bankruptcy, probation, and pretrial services) and public defender staff	28,856
Court units (Appellate, district, bankruptcy, probation and pretrial services)	358
Federal defender organizations (Districts)	91
Court facilities (GSA- and U. S. Postal Service-owned federal buildings and leased facilities)	777
Judicial Conference committees	25
Court appropriations and fees (Salaries and Expenses, Defender Services, Fees of Jurors, Court Security, and Judicial Retirement Funds)	8.8 billion

**FY 2023 APPROPRIATIONS**

In the absence of an enacted FY 2022 appropriation, the judiciary built the FY 2023 discretionary budget request for the AO on the FY 2022 fall re-estimate level, which is \$104,128,000.

For bill language for this account, the judiciary used the relevant language from H.R. 4502, which includes the House-passed version of the Financial Services and General Government Appropriations Act, 2022, as the closest approximation of eventual enacted FY 2022 appropriations language, updated with the assumed funding level as described above.

After full-year FY 2022 appropriations are enacted, the judiciary will re-estimate its FY 2023 budget request and transmit to the Appropriations Committees any changes to FY 2023 appropriations requirements and bill language.

### **SIGNIFICANT ISSUES**

#### ***Defending Against Cyberattacks***

*Cyberattacks and the CISA Assessment.* In December of 2020, SolarWinds, a network tool for monitoring and managing activities on data networks, experienced a major cyberattack to networks of large private sector and government organizations like the Department of Justice (DOJ) and the Department of Commerce. Recognizing that cyber-attacks are growing in sophistication, the AO worked with the Department of Homeland Security's Cybersecurity and Infrastructure Agency (CISA) and DOJ to understand the state of cybersecurity within the judiciary. To strengthen the judiciary's cybersecurity posture, the FY 2023 budget request includes additional resources, including additional AO staff support.

*New Procedures for Highly Sensitive Documents (HSD).* In the wake of high-profile attacks on government data systems, the AO sent multiple communications to judges and unit executives recommending measures to protect the security of highly confidential, sealed filings in CM/ECF. In 2021, the AO helped courts implement these measures by providing model HSD orders; issuing technical guidance for building and maintaining "air-gapped" systems not connected to the internet; reviewing the courts' orders and notices for implementing the new protective procedures; and posting answers to relevant court inquiries on the JNet.

*Judiciary IT Security Task Force.* In June 2021, the AO formed a task force to examine the Third Branch's IT security posture in response to cybersecurity findings and recommendations identified through assessments conducted by CISA and by 18F, a technology consultancy located within GSA's Federal Acquisition Service. Task Force recommendations will be submitted to the AO Director and referred for consideration by the appropriate Judicial Conference committees.

*Insight Program.* In August 2020, the AO announced the creation of the Insight Program to create a one-stop-shop for court units and the AO to anticipate issues and manage the judiciary's IT infrastructure and assets. This program seeks to consolidate deployment of the standard national IT security services which will enable uniform, layered security protection of IT assets judiciary-wide.

### ***COVID-19 Task Force, Communications, and Ongoing Impact***

The *Judiciary COVID-19 Task Force* met nearly biweekly throughout 2021 and continues to monitor the pandemic's impact on judiciary operations. Recently, its efforts have shifted from responding to the pandemic to a focus on long-term recovery and returning the judiciary to a pre-pandemic operational environment. Major efforts include:

- (1) *Safe Return to the Workplace.* In May 2021, a handbook, webcast, and frequently asked questions (FAQs) were made available on JNet, the judiciary's intranet site, to assist the courts in managing the return of its personnel to judiciary facilities and workspaces.
- (2) *Jury Safety.* Upon request, the AO produced jury safety public service announcements for individual courts to post on their public websites.
- (3) *Updated Guidance.* The Task Force routinely updates judiciary materials on the pandemic using the latest guidance from the Centers for Disease Control and Prevention (CDC) and Safer Federal Workforce sites.
- (4) *COVID-19 Vaccination Program.* In April 2021, on behalf of the judiciary, the AO Director signed a memorandum of understanding between the AO and the Department of Veterans Affairs' Veterans Health Administration (VHA), which authorized VHA to administer the COVID-19 vaccine to all judges and judiciary employees who registered with the program. With nearly 1,100 individuals registered for the vaccination program, VHA Medical Centers began vaccinating judges and judiciary employees later that same month.
- (5) *Independent Epidemiologist Panels.* Multiple virtual epidemiologists panel discussions have been conducted, recorded, and made available online to provide independent expert advice on COVID-19 issues to court units and federal public defender offices (FPDOs) as they expand in-person operations.

(6) *Virtual Judiciary Operations Subgroup (VJOS)*. Formed in October 2020, as a subgroup of the task force, the VJOS has collected data with surveys, focus groups, and case studies among judiciary stakeholders to assess virtual technologies, temporary rule changes, and other pandemic response practices.

(7) *Additional Resources*. The Task Force produced an updated contact tracing template, provided vaccine resources and FAQs on vaccine status inquiries and testing, and disseminated partner agency recovery materials, including GSA's Safer Workplace Strategy Book.

(8) *Task Force Communications*. The Task Force continues to support the judiciary on pandemic-related issues through regular updates of the JNet Coronavirus (COVID-19) Guidance page. Since March 2020, online traffic to the JNet for COVID-related information has generated over 548,000 page views. Statistical dashboards are also available to include: a map of confirmed COVID-19 cases; courts' operational status; and compilations of court orders and local practice documents. Moreover, the Task Force released a video that highlights the federal judiciary COVID-19 recovery guidelines, along with a recovery planning checklist.

(9) *Ongoing Impact*. Because safety and well-being are the highest priorities for all judiciary employees and those that they conduct business with, the Task Force continues to monitor national pandemic conditions (e.g., vaccination rates, positivity rates, variants) and impacts to assess risk and address emerging issues.

### ***Office of Compliance and Risk***

In FY 2020, the AO Director appointed a Compliance and Risk Officer to assess risks across the AO and enhance the AO's response to recommendations from audits, internal control reviews, and other studies. These capabilities were further improved in FY 2021 and FY 2022 with funding to build out an Office of Compliance and Risk (OCR). The capabilities of the OCR continue to develop with the addition of staff to establish an enterprise-wide risk management program and to coordinate and monitor the AO's implementation of corrective actions. The establishment of OCR demonstrates the AO's commitment to compliance and risk management.

Through its compliance mission, OCR provides the AO Director and AO executives with greater visibility into efforts to improve oversight and address internal control weaknesses. OCR coordinates the AO's response to audit findings and recommendations

across departments and offices. OCR also performs management reviews of internal AO functional areas such as acquisitions, budget, finance, and grants management.

In FY 2021, OCR identified opportunities for improvement in the AO's processes for tracking and monitoring compliance with laws and regulations. This effort will monitor changes in legislation and regulations requiring AO implementation, maintain inventories of AO legal and regulatory requirements, and develop corrective action plans to improve compliance where necessary. The FY 2023 AO budget request includes a program increase to staff OCR with one additional position to accomplish these functions. OCR began with one position in 2020, added one in 2021 and a third with the 2022 budget request. With this requested level, OCR will have a total of four staff.

### ***Workplace Conduct - Fostering an Exemplary Workplace Across the Judiciary***

The Judiciary is committed to providing an exemplary workplace. Over the last several years, the Federal Judiciary Workplace Conduct Working Group has led an effort to improve the judiciary's workplace policies, processes, and systems. Employees have long had express protections against discrimination, harassment, and retaliation, and now have improved informal and formal processes through which assistance and remedies can be obtained, as well as confidential points of contact both within and outside their employing court who can provide guidance and advice.

In addition to long-standing prohibitions against workplace discrimination and harassment, the Judiciary further enhanced workplace conduct policies to include express protections against abusive conduct, addressing harassing behavior even when it is not discriminatory. Confidentiality policies were clarified to remove potential barriers and encourage reporting, and the Codes of Conduct and Judicial Conduct and Disability Rules were revised to emphasize that judges and Judiciary employees have a responsibility to take appropriate action if they learn of potential workplace misconduct, even if they are bystanders. Additionally, a new Model Federal Public Defender Organization employment dispute resolution (EDR) Plan was developed and approved by the Judicial Conference, designed to address the issues unique to the federal public defender organization community.

The AO's national Office of Judicial Integrity (OJI) and Directors of Workplace Relations (DWRs) in each circuit work in partnership to support EDR coordinators designated in every court and employing office across the Judiciary. Together, the OJI, DWRs, and EDR coordinators form a national network of trained, experienced professionals who provide confidential advice and guidance to employees, managers, and judges; support and facilitate EDR processes; coordinate training programs; propose and assist in the implementation of various policy initiatives; and collaborate on best practices to foster consistency across the circuits and courts.

The Workplace Conduct Working Group has remained active and, in collaboration with Judicial Conference committees and Administrative Office advisory groups, continues to evaluate and assess existing policies, procedures, and practices to ensure an exemplary workplace. The OJI is funded for up to three positions and is presently hiring for two positions—a Deputy Judicial Integrity Officer and an Administrative Analyst—to support the Judicial Integrity Officer. The OJI will be fully staffed in 2022 with positions that complement and work in concert with the Judiciary’s new network of circuit DWRs, and that support the OJI’s various outreach and training initiatives and assist in the collection of data related to workplace conduct.

The Judiciary has also taken steps to establish clear and trusted lines of communication with law schools to ensure they are aware of the Judiciary’s workplace protections and available processes for addressing concerns, highlighting the OJI and DWRs as confidential avenues for law school administrators to seek guidance and/or report concerns of which they become aware. The Judiciary continues to engage internal and external stakeholders to garner feedback on how to further improve its protections and processes and inform future initiatives.

### ***Contractor Insourcing***

The AO has continued its re-assessment of functions performed by AO contractors and has implemented several rounds of contractor insourcing, beginning in 2012 as part of the judiciary’s cost-containment efforts. Since that time, the AO continues to re-assess the functions performed by AO contractors in keeping with the same goal to improve project/program management by adjusting the ratio of federal employees to contractors, ensuring appropriate supervision of contract operations, and reducing costs by converting more expensive contractor positions to less expensive government employees. Contractor insourcing has been implemented in successive rounds, with individual rounds sometimes occurring over the course of multiple fiscal years.

A third round of insourcing 114 contractor positions began in FY 2019 and is expected to reach completion in FY 2022, resulting in cumulative annual net savings of \$5.2 million in the Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses (S&E) account (savings accrue in S&E because the contractor services being replaced were funded by the S&E appropriation).

Meanwhile, a fourth round of contractor insourcing began in FY 2021. The functions of an additional 99 contractors will be insourced over a three-year period, one-third each year. At the conclusion of this round of contractor insourcing, the estimated total savings in the S&E account will be \$6.2 million. Of that amount, \$500,000 in savings was previously included in the FY 2022 S&E request. An additional identified savings of \$1.2 million is included in the FY 2023 S&E request. Remaining savings will be incorporated into future budget requests as the insourcing moves forward.

## **AO SUPPORT OF THE JUDICIARY (INCLUDING COST CONTAINMENT)**

The AO supports numerous key national initiatives in the federal courts to strengthen accountability, improve the delivery of justice, increase efficiency, and reduce costs. Many of the initiatives recently completed and currently underway reflect the application of information technology solutions to court operations and system enhancements to improve services. Cost containment continues to be a priority of the judiciary, and AO staff supporting the Judicial Conference and its committees are heavily involved in these efforts. The AO's work to support the judiciary is summarized below.

### ***CM/ECF Modernization, Legislation, and NextGen***

In December 2020, the AO entered into an interagency agreement with 18F, a technology consultancy within GSA that specializes in helping government entities successfully deliver modern, efficient, and easy-to-use digital services. The AO endorses 18F's recommendations to replace CM/ECF with a more secure and reliable case management and filing system. The AO is targeting March 2022 as a completion date for all court units to adopt the current NextGen CM/ECF system. Universal adoption of the current system is a necessary step before development begins on a new replacement system incorporating 18F's recommendations. Parallel to these efforts, the AO has been engaged with interested parties in Congress about legislative efforts to modernize CM/ECF and PACER and to substantially modify the current PACER user fee model. More information on PACER legislation is included in the Electronic Public Access (EPA) Appendix on Page 2.4.

### ***Safety and Wellness of Probation and Pretrial Services Staff***

In response to reports of increased stress in the probation and pretrial services offices from work-life events, especially during the COVID-19 pandemic, the AO is providing online wellness resources, including a quarterly newsletter for probation and pretrial services staff and managers, guidance for developing in-district wellness programs, and a directory of subject-matter experts.

### ***Impact of Supreme Court's *McGirt* Decision***

Following the Supreme Court's decision in *McGirt v. Oklahoma*, criminal case filings increased from 2020 to 2021 by more than 400 percent in the Eastern District of Oklahoma and by nearly 200 percent in the Northern District of Oklahoma. This caseload does not fully reflect the cases resulting from the subsequent application of *McGirt* to four other tribes in the state. The Oklahoma districts were further affected by the early release of inmates from the custody of the Federal Bureau of Prisons under the First Step Act (FSA). The judiciary estimates that the post-conviction caseload of U.S. Probation Offices will increase by 22.4 percent in the Eastern District of Oklahoma, 12.5 percent in the Northern District of Oklahoma, and 19.9 percent in the Western District of Oklahoma. As a result, an

AO working group is coordinating with the affected Oklahoma districts to address staffing and space resource requirements and is collaborating with the Department of Justice (DOJ) on gathering data for ongoing response and identifying resource needs.

### ***PACTS 360***

The AO is working with a contractor to replace the Probation and Pretrial Case Tracking System (PACTS) and its ancillary applications. The AO has been hosting monthly PACTS-360 Live sessions on the new platform with probation and pretrial services offices throughout the country to provide regular updates and demonstrations of developed features to ensure the product meets the end-user needs. Initial development is focused on pretrial and presentence investigations, a mobile pretrial interview tool, offense level and drug calculators, and activities management. The AO is working with USMS to automate processes, to bring more information into PACTS, and to use PACTS to send sentencing information to the USMS and BOP.

### ***Court Unit Dashboard***

The most recently released Court Unit Dashboard, available to appellate, district, and bankruptcy court units, is a voluntary, opt-in solution that allows participating court units to see their own aggregated caseload, staffing, and IT data, as well as the data of all other participating units. The dashboard has more than 8,000 users across more than 200 court units, including the entire probation and pretrial services community. Benefits of participation include consolidated reporting, protected access for dashboard users, and data sharing and learning.

### ***Using JARVAS Geospatial Technology to Combat Rising Threats***

JARVAS (Judicial All-Hazards Risk and Vulnerability Analysis Service) provides geospatial and related information on hazards and threats in near real-time to judiciary leaders managing a crisis that can be shared across federal, state, and local jurisdictions. Further, the AO is developing information sharing agreements with the judiciary's federal partners (i.e., USMS, FPS, and GSA) and supporting federal, state, and local security and public safety agencies to ensure that the information originates from the appropriate agency. Additionally, JARVAS incorporates information on threats and hazards associated with natural disasters, wildfires, civil unrest, facility infrastructure failures, and human-initiated incidents. This capability should be ready for judiciary-wide use by late FY 2024.



### ***Automated Collection Register (ACR)***

The web-based collection and receipting application, Automated Collections Register (ACR), is a unified, automated collection and receipting system that will replace the judiciary's Cash Register (CR) and Cash Register/Electronic Case Filing (CR/ECF) systems. To prepare, several district and bankruptcy courts were tasked with testing ACR to help the AO identify and mitigate higher-priority issues. Additionally, ACR underwent further testing, security scans, and parallel processing to help AO staff implement all lessons learned to facilitate the national rollout.

### ***JSPACE Workplace Management System Rollout***

The AO began the national deployment of JSPACE, the judiciary's new real estate portfolio and facilities management software system. JSPACE integrates rent bills, space assignment drawings, contract documents, and people data into a single, comprehensive system. JSPACE has already been deployed to several circuits, and final deployment to remaining circuits and districts will occur in FY 2022.

## **JUSTIFICATION OF CHANGES**

The Administrative Office appropriation request for FY 2023 totals \$111,261,000. This represents an increase of \$7,133,000 or 6.4 percent, over the FY 2022 assumed appropriation of \$104,128,000. The FY 2023 budget request includes funds needed to maintain current services, and program increases to expand staff in the Office of Compliance and Risk and add employee contractor suitability staff in the AO Human Resources Office.

Adjustments to base to maintain current services include funding for salaries and benefits increases for staff and increased costs for recurring requirements, such as travel, communications, service agreements, and supplies.

### **A. PERSONNEL**

#### ***Pay and Benefit Adjustments***

##### **1. Proposed 2023 pay adjustment**

**Requested Increase: \$3,579,000**

The judiciary is assuming federal pay rates will increase by 4.6 percent in January 2023. The requested increase provides for the cost of nine months of the anticipated pay raise in FY 2023, from January 2023 to September 2023. (If the pay adjustment included in the President's FY 2023 budget request is different from this 4.6 percent guidance, the judiciary will revise this line item in its FY 2023 budget re-estimate.)

##### **2. Annualization of 2022 pay adjustment**

**Requested Increase: \$540,000**

The requested increase provides for the annualized costs of a 2022 pay adjustment for Employment Cost Index (ECI) and locality pay. As a result of the ECI and locality adjustments, federal pay rates increased by an average of 2.7 percent, effective as of January 2022. The requested increase provides for the cost of three months (from October 2022 to December 2022) of the 2022 pay increase in FY 2023.

##### **3. Promotions and within-grade increases**

**Requested Increase: \$817,000**

The requested increase provides for promotions and within-grade increases for AO personnel to recognize outstanding work and promote staff development, thereby fostering the AO's ability to recruit and retain a highly professional and capable workforce.

##### **4. One less compensable day**

**Requested Decrease: (\$450,000)**

There is one less compensable day in FY 2023 than in FY 2022. The requested decrease adjusts for personnel compensation and benefits associated one fewer compensable day.

##### **5. Benefits increases**

###### **a. Health benefits**

**Requested Increase: \$169,000**

Based on information from the Office of Personnel Management, health benefit premium contributions are projected to increase by an average of 2.4 percent both in January 2022 and January 2023. The requested increase annualizes the 2022 premium increase and includes a nine-month provision for the increase anticipated for FY 2023.

**b. FICA adjustment**

**Requested Increase: \$100,000**

Based on information from the Social Security Administration, employer contributions to the Old Age, Survivor, and Disability Insurance (OASDI) portion of the FICA tax will increase in 2022. The salary cap for OASDI increased from \$142,800 to \$147,000 in January 2022. The requested amount is needed to pay the AO's contribution in FY 2023.

**B. OTHER ADJUSTMENTS**

**6. Inflationary increases in charges for contracts, services, supplies, and equipment**

**Requested Increase: \$112,000**

Consistent with guidance from the Office of Management and Budget, this request of \$112,000 is required to fund inflationary increases of 2.0 percent for operating expenses such as travel, communications, printing, contractual services, supplies and materials, and furniture and equipment.

**7. Increase in requirements to maintain FY 2022 service levels due to anticipated decrease in non-appropriated funds**

**Requested Increase: \$1,257,000**

In addition to appropriations from Congress, the judiciary relies on other funding sources to finance its requirements. These non-appropriated funds include current year fee collections and carryforward of fee balances from the prior year. The use of these funds allows the AO appropriations request to be reduced on a dollar-for-dollar basis. The AO FY 2023 appropriation request of \$110,011,000 reflects a projected availability of \$16 million in non-appropriated funds. The FY 2022 obligation level assumes new fee collections and prior-year carryforward from FY 2021 totaling \$17.3 million. The AO request for appropriated funds for FY 2023 therefore includes an increase of \$1.3 million to reflect the decrease in these non-appropriated funds to maintain the same level of services as provided in FY 2022. The judiciary's estimates for non-appropriated funds typically fluctuate during the fiscal year. AO staff will update the appropriations subcommittee staff on changes in non-appropriated funding levels.

**8. Annualization of New Positions Requested in FY 2022**

**a. Office of Compliance and Risk**

**Requested Increase: \$100,000**

**FTE: 0.5**

This request supports the annualization of one position requested in FY 2022 to support the Office of Compliance and Risk. The amount of \$100,000 represents a six-month annualization cost.

The AO established a Compliance and Risk Officer in FY 2020 to assess risk across the agency and remediate critical findings from audits and reviews. A second position for this office was funded in FY 2021 to focus on the oversight and monitoring of corrective actions. For FY 2022, a third position was requested to focus on the risk management functions of the office through establishment of an enterprise risk management program based on GAO standards and industry best practices.

**b. Procurement Reform**

**Requested Increase: \$603,000 FTE: 3.0**

This request supports the annualization of the six positions requested in FY 2022 that support the improvement of the AO's procurement and contract management processes. The amount of \$603,000 represents a six-month annualization cost.

**C. PROGRAM INCREASES**

**Requested Increase: \$306,000**

**9. Employee and Contractor Suitability Staff (2 positions)**

**Requested Increase: \$204,000 FTE: 1**

The AO's Office of Human Resources (AOHR) identified requirements for two new positions for the Contractor Suitability/Background Investigation Program. The AO currently only has sufficient staff to support conducting suitability and background investigations for federal employees. Given the significant number of contractors supporting the AO's work on behalf of the judiciary, the AO needs to expand its background investigations to both federal employees and contractors. These positions will provide the necessary staff support to expand future contractor suitability and background investigation reviews to encompass contract staff as well. The two requested positions will manage contractor personnel security actions and develop contractor suitability and background investigation policies and procedures.

**10. Office of Compliance and Risk (1 position)**

**Requested Increase: \$102,000 FTE: 0.5**

The AO established a Compliance and Risk Officer in FY 2020 to assess risk across the agency and remediate critical findings from audits and reviews. For FY 2023, a fourth position is being requested to further support the efforts of tracking compliance with laws and regulations to which the AO is subject. One additional support position (0.5 FTE) at a first-year cost of \$102,000 for salaries, benefits, and expenses is requested.

## **FINANCING THE FISCAL YEAR 2023 REQUEST**

### ***Estimated Fiscal Year 2023 Fee Collections***

**Estimated Funds Available: \$8,108,000**

The judiciary has authority to collect fees for various services such as bankruptcy filing, civil filing, bankruptcy noticing, and registry administration. These fees are used to reimburse judiciary appropriations and are available without fiscal year limitation. The judiciary estimates that \$8.1 million of new fee collections will be available to offset the AO's FY 2023 budget request. The judiciary will continue to monitor filings and other collections throughout FY 2022 and will advise appropriations subcommittee staffs of any changes to these estimates.

### ***Estimated fee carryforward from Fiscal Year 2022 into Fiscal Year 2023***

**Estimated funds available: \$7,895,000**

In addition to receiving a portion of new fee collections, the AO account receives a portion of the fee balances carried over from prior years. This request reflects funds from existing carryforward balances in the judiciary fee accounts that the judiciary estimates will be available to offset the AO's FY 2023 budget request. The judiciary will advise appropriations subcommittee staffs of any changes to this estimate.

## ***Reimbursable Programs***

**Funds Available: \$145,272,000     FTE: 782**

**Requested Increase: \$11,699,000**

Beginning in 1990, Congress authorized reimbursable funds for the AO to carry out specific support functions for the courts. These functions include background checks/investigations, case management improvement, Central Violations Bureau, court automation, court financial administration, court financial systems, court investment services, court security, defender services audit and assessment, defender services training, Electronic Public Access services, the Federal Probation and Pretrial Services Training Academy, financial disclosure, judiciary benefits, and work measurement.

The request for the AO reimbursable programs includes funding for 782 FTE from the Salaries and Expenses (614 FTE), Defender Services (54 FTE), and Court Security (29 FTE) appropriations under the Courts of Appeals, District Courts, and Other Judicial Services heading, as well as 85 FTE reimbursed from Electronic Public Access fees. These positions are necessary to maintain a sufficient staffing level to fulfill core court and defender support responsibilities, oversee the court security program, and continue to develop, implement, and support automated systems and technologies in the courts. These systems include network and telephone systems; case management/electronic case files systems that support appellate, district, and bankruptcy courts and probation and pretrial services

offices; and financial management systems that ensure sound financial practices and internal controls.

The FY 2023 obligation level requested for the AO's reimbursable program totals \$145,272,000, a net increase of \$11,699,000 from the projected FY 2022 obligation level of \$133,573,000.

The FY 2023 request includes \$5,663,000 in net adjustments to base for inflationary increases in salaries, benefits, and other expenses. The request also includes five FTE and \$944,000 to support the annualization of 10 IT positions included in the FY 2022 re-estimate; and an FY 2023 program increase of \$2,800,000 and 30 positions (15 FTE) for cybersecurity (27 positions) and PACTS 360 (3 positions). This increase is further explained in the JITF chapter on page 11.18.

Within the Defender Services account, the FY 2023 request includes \$691,000 for the annualization of eight new positions (4 FTE) assumed to be funded in FY 2022; and an FY 2023 program increase of \$669,000 for an additional eight positions (4 FTE). The total increase of 16 reimbursable positions over two years includes staffing to support: defender data management; program review/assessment; staffing formula development; eVoucher system development; interagency support; and new workshops, seminars, and webinars to meet the increasing attorney training workload. This increase is further explained in the Defender Services chapter on page 5.28.

The Court Security appropriation includes five FTE and \$933,000 for the annualization of 19 reimbursable positions in

support of the Judiciary Vulnerability Management Program. Further information is included in the Court Security chapter on page 7.10.

### ***Contractor Insourcing***

**Requested Increase: \$5,091,000**

**FTE: 33**

As explained above (page 8.13), the AO plans to both complete the third round of contractor insourcing as well as continue to onboard 99 additional contractor insources from the fourth round of insourcing that began in FY 2021. At the conclusion of this fourth round, the estimated total savings in the S&E account will be \$6.2 million. Of that amount, \$500,000 in savings was previously included in the FY 2022 S&E request. The requested increase of \$5,091,000 includes the annualization of insourcing 33 contractor positions during FY 2022, and the first-year cost of insourcing 33 contractor positions during FY 2023.