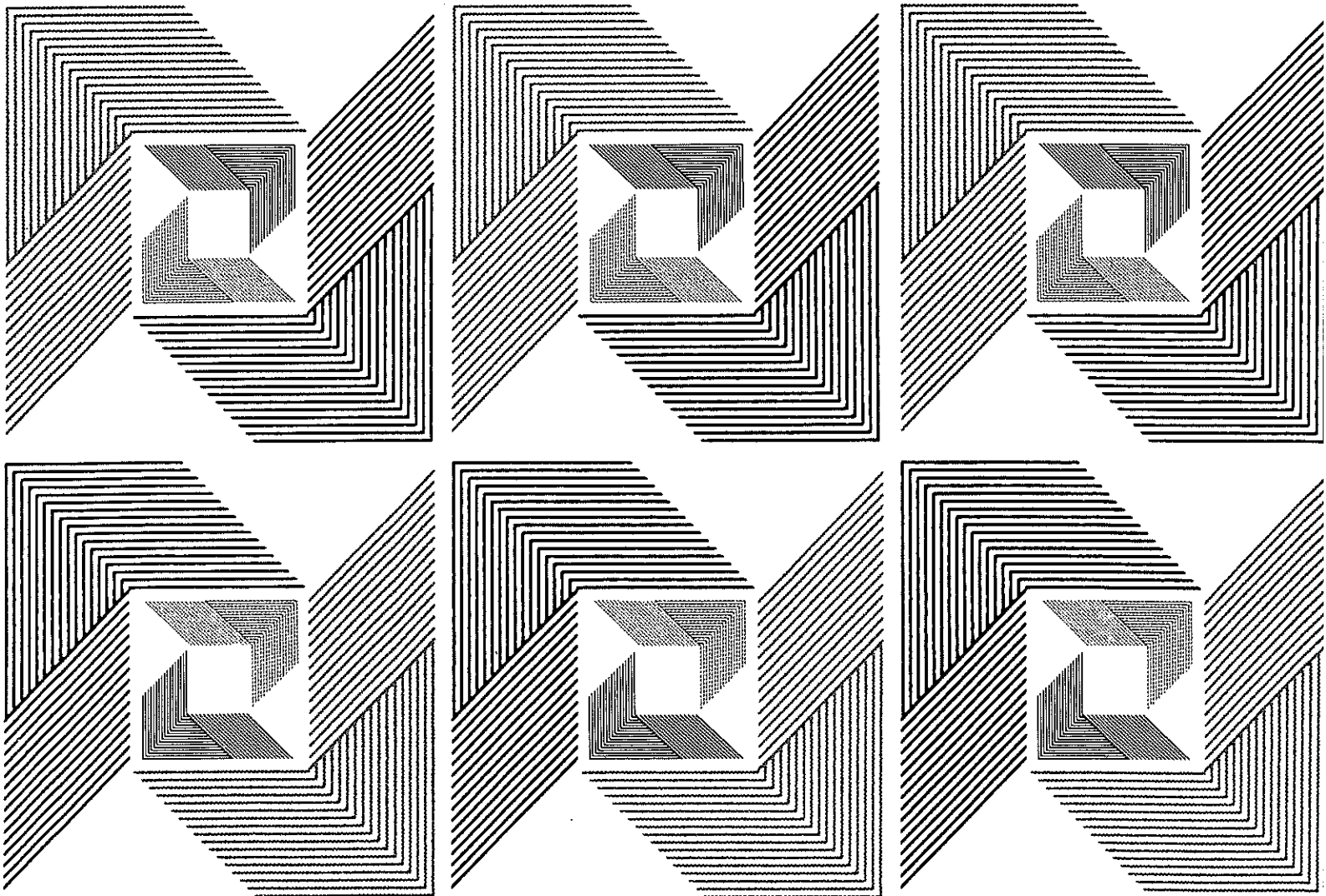


Report No. 90-10
January 1990

REPORT ON THE JUDICIARY'S IMPLEMENTATION OF THE RECOMMENDATIONS IN THE MANAGEMENT AND FINANCIAL AUDIT OF THE JUDICIARY

A REPORT TO THE GOVERNOR AND THE LEGISLATURE OF THE STATE OF HAWAII



SUBMITTED BY THE LEGISLATIVE AUDITOR OF THE STATE OF HAWAII

THE OFFICE OF THE LEGISLATIVE AUDITOR

The missions of the Office of the Legislative Auditor are assigned by the Hawaii State Constitution (Article VII, Section 10). The primary mission is to conduct post audits of the transactions, accounts, programs, and performance of public agencies. A supplemental mission is to conduct such other investigations and prepare such additional reports as may be directed by the Legislature.

Under its assigned missions, the office conducts the following types of examinations:

1. *Financial audits* attest to the fairness of the financial statements of agencies. They examine the adequacy of the financial records and accounting and internal controls, and they determine the legality and propriety of expenditures.
2. *Management audits*, which are also referred to as *performance audits*, examine the effectiveness of programs or the efficiency of agencies or both. These audits are also called *program audits*, when they focus on whether programs are attaining the objectives and results expected of them, and *operations audits*, when they examine how well agencies are organized and managed and how efficiently they acquire and utilize resources.
3. *Sunset evaluations* are conducted of professional and occupational licensing programs to determine whether the programs should be terminated, continued, or modified. These evaluations are conducted in accordance with a schedule and criteria established by statute.
4. *Sunrise analyses* are similar to sunset evaluations, but they apply to proposed rather than existing regulatory programs. Before a new professional and occupational licensing program can be enacted, the statutes require that the measure be analyzed by the Office of the Legislative Auditor as to its probable effects.

5. *Health insurance analyses* are conducted on bills which propose to mandate certain health insurance benefits. Such bills cannot be enacted unless they are referred to the Office of the Legislative Auditor for an assessment of the social and financial impact of the proposed measures.

6. *Special studies* are conducted when they are requested by both houses of the Legislature. The studies usually address specific problems for which the Legislature is seeking solutions.

Hawaii's laws provide the Legislative Auditor with broad powers to examine all books, records, files, papers, and documents and all financial affairs of every agency. The Auditor also has the authority to summon persons to produce records and to question persons under oath. However, the Office of the Legislative Auditor exercises no control function, and its authority is limited to reviewing, evaluating, and reporting on its findings and recommendations to the Legislature and the Governor.



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OVERVIEW

REPORT ON THE JUDICIARY'S IMPLEMENTATION OF THE RECOMMENDATIONS IN THE MANAGEMENT AND FINANCIAL AUDIT OF THE JUDICIARY

Honolulu, Hawaii

January 1990

Summary

Over the years, Hawaii has pursued the ideal of an efficient, unified, and independent judicial system. The Hawaii Judiciary is a branch of government co-equal to the legislative and executive branches. It has received strong support from the Legislature. To ensure that it was being administered effectively, the Legislature in 1988 requested the Office of the Legislative Auditor to conduct an audit of the management, operations, and expenditures of the Judiciary. In response to that request, the auditor in January 1989 issued its report, *Management and Financial Audit of the Judiciary of the State of Hawaii*.

The audit found numerous problems in the administration of the Judiciary. The Judiciary did not have a clear structure of management authority and responsibility. Policies were inadequate and often ignored, and the numerous management responsibilities were not being carried out. The audit found deficiencies in the Judiciary's management of caseflow, records, information systems, personnel, court related programs, and financial operations.

To remedy some of its past problems and to meet the growing demands placed on the court system, the audit report recommended that the Judiciary look to ways to improve its administration and management. It recommended that the Judiciary differentiate between the authority of administrative judges and those of the administrative director. The report emphasized the need for policies to guide action and decision-making. It recommended a policy on organization that would require all parts of the Judiciary to have accurate descriptions of their functions, staff, and reporting relationships.

To improve the efficiency of the courts, the audit made recommendations to strengthen caseflow and improve records management, particularly in the district courts. Because the work of the courts depends increasingly on automation, the audit recommended that the Judiciary hire a chief information officer with the authority and expertise to provide needed direction and focus. The audit recommended numerous actions in personnel and financial management.

This follow-up report, which was requested by the Legislature, summarizes the recommendations made in the 1989 audit report--in administration, caseflow management, records management, management of information systems, personnel management, management of court related programs, and financial management. It summarizes the Judiciary's response, describes its progress in each area, and then presents our comments on the Judiciary's response.

The Judiciary says that the circuit, family, and district courts have been placed under the general supervision of the administrative judges of the respective courts as required by the statutes. The authority and responsibilities of the administrative judges have been distinguished from those of the administrative director. To codify its policies, it is developing an administrative manual that will be completed in November 1990. The Judiciary has made substantial progress in reorganization and has prepared functional statements and organizational charts for all its units.

The Judiciary says that it has made a number of changes to strengthen and modernize caseflow management. It is giving priority attention to the district courts for automation, staffing, and technical assistance. The Judiciary has advertised for a chief information officer and it is committed to developing a comprehensive, accurate, and timely system for reporting management information. In the personnel area, actions are under way to develop time standards, improve communication, and reduce backlogs and delays in personnel actions. The Judiciary has made numerous changes to comply with audit recommendations in financial management.

We find in general that the Judiciary has made a conscientious effort to implement the recommendations of the 1989 audit. Some of its actions could not be assessed as they have yet to be completed. The complete text of the Judiciary's responses can be found in the appendix to the report.

**REPORT ON THE JUDICIARY'S IMPLEMENTATION
OF THE RECOMMENDATIONS IN THE
MANAGEMENT AND FINANCIAL AUDIT OF
THE JUDICIARY**

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A Report to the Governor and the Legislature of the State of Hawaii

Submitted by

**Legislative Auditor of the State of Hawaii
Honolulu, Hawaii**

**Report No. 90-10
January 1990**

FOREWORD

In January 1989, the Office of the Legislative Auditor issued a report on the *Management and Financial Audit of the Judiciary*. The report contained numerous recommendations relating to the Judiciary's administration and its management of caseflow, records, information systems, personnel, court related programs, and financial operations. In the Judiciary Appropriations Act of 1989, the Legislature directed the auditor to review the actions taken by the Judiciary to implement the recommendations in the audit report. This report responds to that request.

We wish to express our appreciation to the Judiciary for the cooperation and assistance extended to us by its staff.

Newton Sue
Acting Legislative Auditor
State of Hawaii

January 1990

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REPORT ON THE JUDICIARY'S IMPLEMENTATION OF THE RECOMMENDATIONS IN THE MANAGEMENT AND FINANCIAL AUDIT OF THE JUDICIARY

Introduction

Section 29 of the Judiciary Appropriations Act of 1989 directs the legislative auditor to review the actions taken by the Judiciary to implement the recommendations in the auditor's January 1989 report, *Management and Financial Audit of the Judiciary*.

On October 31, 1989, the Judiciary provided the auditor with a written response on the actions it had taken on the audit recommendations. On January 12, 1990, the Judiciary provided an update to the response, advising the auditor of additional progress made on the recommendations.

This report summarizes and comments on the responses of the Judiciary. It follows the organization of the chapters in the audit report: administration, caseload management, records management, management of information systems, personnel management, management of court related programs, and financial management. The complete text of the responses submitted by the Judiciary is included in the appendix. We find that the Judiciary has made a conscientious effort to implement the recommendations in the audit report. Some actions will take time to implement and could not be assessed.

Administration

Audit recommendations. To have accountability and to correct weaknesses in administration, the 1989 management audit recommended that the Judiciary establish a clear process of formulating and disseminating its policies. The process should name the offices

with the authority to issue policies, set the time when policies become official, and identify which policies are currently in effect. Particularly needed was a policy on organization that would delineate the procedure to be followed for reorganization, including administrative review and final approval by the chief justice. The policy on organization should require units to have functional statements that describe their duties and responsibilities, and charts that depict the number and types of positions and their reporting relationships.

The reorganization of the Judiciary should focus on the functions of the courts and how they can best be supported. This would require establishing the authority and responsibility of administrative judges and differentiating these from the authority and responsibilities of the administrative director of the courts. The organization of the office of the administrative director should emphasize those support functions designated by statute. The Judiciary should ensure that authority over the chief clerks of the courts complies with the law, or the Judiciary should seek to amend the law. The chief clerk positions should be made consistent and accurate. There should be policies and procedures for evaluating the performance of the administrative director and the Judiciary's managers. The Office of the Administrative Director and its managers should be responsible for the conduct of support functions and for developing information that would allow their performance to be monitored.

Judiciary's response. The Judiciary says that it is developing a Judiciary administrative procedures manual that will codify organizational policies and delineate the manner in which policies become official. The manual should be completed by November 1990.

The Judiciary has made substantial progress in reorganization. It has prepared functional statements and organizational charts for all Judiciary units. The estimated completion date for reorganization is December 31, 1990. The Judiciary will be requesting funds for a consultant to update the personnel manual, and it is developing performance rating criteria for the administrative director and other top administrators, which should be in place by June 1990.

The Judiciary has issued a policy statement on the respective roles of administrative judges and the administrative director. In compliance with the statutes, the administrators of the circuit, family, and district courts have been placed under the general supervision of the administrative judges of the respective courts. Position descriptions for the chief clerks have been revised to reflect this change.

The administrative director's office now provides technical assistance and direction to the courts in personnel, budget, automation, and other administrative support functions. To be more responsive to court needs, the office has reorganized to create a planning, budget and evaluation division; a fiscal and support services division; and a data processing and information division. The functions in the personnel office have also been realigned.

The Judiciary is emphasizing the development of a stronger base of information for use in management decision-making. As part of this effort, the Executive Committee on Technology is reviewing the Judiciary's statistical systems. Plans for a chief information officer and a capital improvements coordinator will strengthen the administrative director's expertise in support functions.

Comments on the response. The Judiciary has taken an important step by giving administrative judges authority and responsibility over their courts and making the administrative

director responsible for support services to the courts. New position descriptions for the chief clerks have been prepared to reflect this change.

As reported, the Judiciary has made some organizational changes. New functional statements and charts have been prepared for each unit. The new organization was officially approved by the chief justice in December 1989. The reorganization, however, was made without first establishing policy on how it was to be done. It would have been helpful for judges and staff to have been informed about the *process* for reorganization and how it would be implemented. This could have included such information as the basis for reorganization, kinds of justifications needed, timetable, and how the reorganization would become official. The Judiciary could improve morale and build trust by making every effort to have policies that inform staff about when, how, and why actions are taken before they become official.

The Judiciary is currently reviewing its information systems with a view to improving support services to the courts.

We make no comments on the Judiciary's administrative manual, personnel manual, or performance rating criteria since they will not be completed until later in 1990.

Caseflow Management

Audit recommendations. The 1989 audit made several recommendations for caseflow management. It said the Judiciary should establish a stronger identity for the family courts through a more consistent system of judicial assignments to family court matters. Priority should be given to automation, staffing, and other support for the district courts to improve operations and reduce backlogs.

Caseflow standards, policies, and goals should be organized, compiled, and widely distributed.

Policies and rules for each court should be compiled in an accessible document within each circuit.

The chief justice should review judicial assignments by assessing how many judges are required to handle the criminal caseload in the first circuit and consider transferring judges from the civil to the criminal division if the drop in civil case workload justifies such an action. As part of this review, the chief justice should reduce reliance on per diem judges in the family and district courts and implement the recommendations of the National Center for State Courts to improve the selection, retention, and training of per diem judges.

The Judiciary should initiate action to adopt a decriminalized traffic offense system.

We also recommended that the Office of the Administrative Director should improve caseload and caseflow management information by developing and implementing consistent methods of data collection and reporting. The office should provide training opportunities to administrators on caseflow management and the use of management information and improve support services to the courts, particularly in the areas of automation and personnel. Finally, the Judiciary should vigorously pursue a program to improve its facilities.

Judiciary's response. The Judiciary says it has made a variety of management changes in the family courts. In the Family Court of the First Circuit, procedures have been simplified, divisional benchbooks prepared, case calendaring and judicial assignment systems streamlined, the use of per diem judges reduced, and backlogs and delays eliminated. Similar efforts are under way in the second, third, and fifth circuits and will be completed by December 1990. Work is in progress on automated information management and a family court center concept.

Priority attention, says the Judiciary, is being given to the needs of the district courts for

automation, staffing, technical assistance, and other support, particularly in the first circuit. A complete operational analysis has been started, aimed at reducing paperwork, reducing delays, enhancing resource allocation, and modernizing caseflow management. It will be completed by February 1, 1990.

The Judiciary says that it maintains and routinely enforces caseflow time standards for nearly all types of cases in the trial, appellate, and specialty courts. It intends to review these standards, make changes where warranted, and compile the standards into a more readily accessible document. The work is to be completed by December 1990.

With respect to judicial assignments and workload, the Judiciary states that it is committed to developing a management information system that accurately reports the workloads of the civil and criminal divisions of all courts. It is currently reexamining its statistical needs for both management and operations. The Judiciary says that the use of per diem judges has declined dramatically in the first circuit family court and probably in the district courts as well.

The Judiciary says it helped develop proposals to the last legislature that, if enacted, would have decriminalized traffic offenses. As an alternative, the operational analysis of the district court now under way is looking at ways to reduce arraignments and expedite bail forfeitures through administrative orders.

The Judiciary says it is developing a fully automated and modernized information management system to strengthen its caseload and caseflow systems. The planning, development, and implementation of a fully linked system will be a top priority of the new administrative director and the to-be-hired chief information officer. An initial plan with timetables may be completed by June 1990. Until then, the Executive Committee on Technology will continue to advise on decisions in this area.

Once the management information system is operational, says the Judiciary, caseload training and education (including technological training in computer applications) will take place. The administrative director, chief information officer, and the Executive Committee on Technology will continue to develop appropriate plans, projects, and timetables that meet the courts' needs in the area of automation.

The Judiciary says that with the assistance of the National Center for State Courts it has conducted a series of intensive two-day management workshops. Key decision makers and administrators from the family, district, and circuit courts and the administrative director's office attended the workshops. The purpose was to educate staff about management information systems and begin the longer process of defining data elements, standardizing definitions, and designing new information reports. Additional updating of the first circuit family court's data bases has also taken place.

With respect to personnel, the Judiciary says that it is reviewing its classification of clerical personnel and is in the process of setting time standards for personnel actions.

The Judiciary says that preparations are under way to hire a capital improvements coordinator. A capital improvements project committee and criteria for reviewing and prioritizing renovation requests have been established.

Comments on the response. The Judiciary appears to be committed to moving cases efficiently through the system and is open to new approaches. The first circuit family court has reorganized into three divisions: juvenile (including arrested juveniles and juveniles abused by adults); domestic (including divorce); and special (including spouse abuse, paternity, and adoptions). Judges rotate through the divisions for six- to eight-month assignments, and work their way up from "lowest" to "chief" judge in each division. Caseload in the family court

appears to be good. The degree to which a separate identity has been established for the family court is difficult to assess at this time. Development of the family court center is still at an early stage. The Family Court of the First Circuit has assembled benchbooks with procedures for each of the three divisions; has monetary sanctions against attorneys for not showing up on time or not submitting a document on time; and has issued guidelines for divorce cases to inform new attorneys of the judges' consensus as to how the law should be applied.

Recently the chief justice assigned the civil judges in the first circuit to criminal cases for a month to reduce the criminal backlog. The long-term effects of this approach are being debated. It is too early to evaluate the various initiatives scheduled for completion in 1990.

Records Management

Audit recommendations. The audit recommended that immediate attention be given to improving the district courts' case records system. To improve access to case files, a standardized case file folder system should be implemented. This should include indexes, master alpha locator cards, or other filing aids. The Supreme Court should move to finalize retention schedules as soon as possible.

The audit also recommended the following: the Office of the Administrative Director should develop and administer a program of records management training and technical assistance for trial court managers and supervisors; develop policies and guidelines for records management that address file maintenance, retention schedules, inactive records storage, records security, and other important records issues; resume and complete the Forms Project; and clarify the responsibilities and supervision of the microfilm unit.

Judiciary's response. By order of the Supreme Court on September 1, 1989, a schedule

for the retention and disposition of records was finalized. The Judiciary says that its operational and management analysis of the district courts, to be completed by February 1990, will address improvement of the district courts' records system.

The Judiciary says that it is committed to developing a comprehensive program of training and technical assistance in records management. It is developing standardized procedures for records management and intends to ask the Legislature for funds to hire a records management supervisor. In the interim, the microfilm unit will be under circuit court administration. The Forms Project has been reinstated, and completion is expected by June 1990.

Comments on the response. The establishment of a new records retention schedule demonstrates the concern of the Judiciary with improved records management. Improvement of records management in the district courts through the creation of case files--particularly on the civil side where creation of a file is claimed to be a lengthy process--has apparently been delayed. The delay is attributed to lack of personnel. Since the Judiciary's operational and management analysis of the district courts is not yet complete, it cannot be assessed at this time.

Management of Information Systems

Audit recommendations. The lack of leadership and direction in the Judiciary's information systems should be corrected by appointing a chief information officer who has primary authority to develop and administer the information system. The chief information officer, working with the chief justice, administrative director, and the Executive Committee on Technology should, among other things, develop policies and priorities, a detailed tactical plan identifying priority projects,

effective management structures for each project, and procedures for evaluating commercial software packages.

The Judiciary Computer Systems Office (JCS) should be reorganized to include the data processing operations now under the district court in Honolulu. The role of JCS should evolve toward data center operations. Major applications projects should be administered on a decentralized basis with user managers in charge and JCS staff as technical support. JCS should also assess whether it would be cheaper to lease or purchase the IBM 4381.

Judiciary's response. The Judiciary says that the position of chief information officer has been advertised and applications have been reviewed. It plans to readvertise the position at pay above the minimum level. It is committed to strengthening its computerized information systems but believes that improvements in this area must be in phase with plans for the development of a comprehensive, permanent, accurate, and timely system for reporting management information. Specific goals and performance timetables will be formulated when a new administrative director and chief information officer are on board.

In addition, the Judiciary says it has reorganized to consolidate the Honolulu district court's data processing operation and the computer systems office. The new chief information officer will review whether major applications projects will be administered on a decentralized basis. The Judiciary has determined that leasing is more prudent than purchasing the IBM 4381.

Comments on the response. The Judiciary will be recruiting a chief information officer at a higher rate of pay. The original pay for the position was much too low in comparison with that paid in the private sector. Even without a chief information officer, the Judiciary is making progress on its information systems. With the

help of the Institute for Court Management, it is developing policies and procedures, a tactical plan to identify priority projects, and management structures for each project. The test will be how well these plans are developed and carried out.

It remains important for the administrative director to require administrators to have better *management* information, for example, productivity measures such as time standards, workload, units processed. This will enable them to assess the performance of their units. Managers should be held accountable for the operations of their units according to some yardstick.

The Judiciary has reorganized the data processing operation in the district court and it has assessed the comparative costs of leasing or purchasing the IBM 4381.

Personnel Management

Audit recommendations. The audit made recommendations related to personnel policies and procedures, the efficiency of the personnel office, and employee development and training. It recommended that the administrative director and the personnel director, in coordination with the courts and programs, should make clear the organization of the personnel function within the Judiciary, clarify the role and authority of the personnel director, and complete the personnel manual. As part of this effort, the personnel director should develop functional statements for the personnel office. The personnel office should pay particular attention to correcting such areas as the transfer of positions without proper justification and review, and the use of contract employees without adequate standards, procedures, or administrative review.

To correct such problems as delays and backlogs, the audit recommended developing a management information system that would include regular monitoring and reporting of

office activities, creating time standards for recruitment and classification, and addressing the backlogs and delays. To correct problems in the classification plan, the audit recommended hiring a consultant to overhaul the plan and implement a study of the clerical classes.

The audit recommended several improvements in training and employee development. The judicial education program should be upgraded to include a more comprehensive orientation program for new judges and orientation and training for per diem judges. The personnel office should have a greater role in coordinating nonjudicial training, base training efforts on a needs assessment, and consider making training a separate budget item for all programs. The Judiciary should create a full-time position for an affirmative action officer who would develop the affirmative action plan and implement the program. The audit also recommended that the Judiciary review its pre-employment medical standards program and determine whether the screening process is justified for all employees.

Judiciary's response. The Judiciary has taken steps to implement most of the audit recommendations. To better inform managers of its functions and organization, the personnel office has held orientation and training for some court administrators and managers. It says that outside technical assistance will be needed to help develop policies on the organization of the personnel office and its functions. The office estimates that this can be completed by December 1990. In the meantime, it is developing and codifying its policies and procedures.

To assure better position control, the Judiciary says it plans to conduct "position management reviews" to identify positions that are no longer current. Formal reviews will begin in January 1991. The use of contract employees is being reviewed. For contracted positions currently in the offices of information, planning, and alternative dispute resolution,

new positions have been created and will be filled through civil service and exemption procedures.

The personnel office has undertaken several actions to improve its efficiency and reduce the backlog of classification and recruitment requests. The classification and recruitment sections have reviewed prior activities to develop time standards and identify those steps that consume the most time. The classification section has developed a priority system for processing actions. The estimated completion date for the development of standards is April 30, 1990.

Activities and transactions of the personnel office will be communicated to court and program managers at staff meetings, and selected information will be included in the Judiciary's annual report.

The personnel office has submitted a supplemental budget request for a consultant to study the Judiciary's classification system, particularly the clerical classes. If funds are approved, the completion date is set for December 1990.

The Judiciary is currently assessing its education and training programs, and it is considering making training a separate budget item. A comprehensive program to accomplish this will be in place by July 1991. In keeping with audit recommendations, it has eliminated the backlog of performance evaluations. It anticipates hiring an affirmative action officer by March 1990.

The Judiciary has developed a plan to review and prepare recommendations for a more effective pre-employment medical standards program. It is currently reviewing its contract with Occu-Med to determine the company's compliance with the terms of the contract. This contract review should be completed by February 1990.

Comments on the response. As reported, the Judiciary has taken some of the important

first steps in implementing the recommendations of the audit. This included developing an action plan to accomplish the major audit recommendations, assigning responsibilities, and establishing deadlines. However, a few areas of concern remain.

In the area of policy and procedures, completion of the administrative and personnel manuals by December 1990 depends on whether the Judiciary obtains the technical assistance. Without this assistance the estimated completion date is December 1991. In the interim, it is not clear how policies and procedures will be communicated to the courts and programs, particularly concerning the transfer of positions and the use of contract employees without adequate standards, procedures, or administrative review.

In improving the efficiency of the personnel office, the personnel administrator has under way several actions to develop time standards, improve communication, and reduce backlogs and delays in the classification and recruitment areas. However, the gains in reducing backlog may be lost if the personnel office is not able to hire and retain staff in the classification section. The person hired to improve performance in this area and fill a long-vacant position recently left the office. Currently, only one of three positions in the classification area is filled.

The Judiciary has not yet hired an affirmative action officer or decided where this position will be placed within the organization. The position description and class specifications prepared by the personnel office have requirements and qualifications that are too high for a salary rating of SR 24. The range itself is too low for an officer responsible for a branch of government, and the Judiciary should consider making the position equivalent to that of the affirmative action officer in the executive branch or the University of Hawaii. The officer will need to have extensive knowledge of a large and complicated body of law, as well as possess investigative ability and research, writing,

and training skills. The Judiciary should seek the assistance of the affirmative action officers in the executive branch and the Department of Personnel Services in reviewing the position description and class specifications. Because the independence and authority of the position is key to its effectiveness, the officer should be placed within the administrative director's office.

Management of Court Related Programs

Audit recommendations. To correct the serious problems of management, administration, and operations in the Office of the Sheriff, the audit recommended that the office be transferred to the executive branch. Until such a transfer is made, the Judiciary should provide the sheriff's office with the leadership, resources, and support necessary to ensure the health, safety, and welfare of the deputies, court personnel, and the public.

The procedure for serving civil process should be changed to transfer the responsibility from the sheriff's office to the attorneys involved in litigation. The Judiciary should be involved only in training and qualifying process servers.

The Judiciary should establish a formal policy and process for programs to ensure the systematic development and adoption of new programs.

Judiciary's response. Pursuant to Act 211, SLH 1989, the Office of the Sheriff will be transferred to the executive branch in July 1990. In the meantime, the Judiciary has taken steps to ensure proper leadership, support, and resources.

The Judiciary is reviewing the practice of service of process and subpoenas by the sheriff's office. A working committee is developing proposed qualifications for licensed servers and expects to be completed by January 1990. The Judiciary also plans to establish a formal program development and program review policy by December 1990.

Comments on the response. Other than the transfer of the sheriff's office, it is too soon to assess the implementation of the other recommendations.

Financial Management

Audit recommendations. The audit made numerous recommendations on the Judiciary's financial management. We recommended that the Judiciary develop a realistic budget base and discontinue its policy of purchasing equipment from savings.

The Judiciary should adopt better internal controls such as segregating duties for cash receipts and cash disbursements, controlling the check-signing machines and unused checks, and safeguarding court evidence. The district courts in Honolulu, Kaneohe, Waianae, Hilo, Lahaina, and Kauai should reconcile their trust fund subsidiary ledger accounts on a regular basis so that any discrepancies can be corrected immediately.

The Judiciary should comply with its *Financial Administration Manual* in its check approval procedures, approvals for purchase order and summary warrant vouchers, in ensuring that the circuit courts comply with safeguard controls over noncash assets, and in processing bail-by-mail underpayments.

The Judiciary should also be more timely in the following areas: disposing of unclaimed bail and outstanding checks that can become government realizations; eliminating the current backlog in bail-by-mail receipts to ensure that future receipts can be processed on a daily basis; and preparing penal summonses. The Judiciary should take steps to eliminate the backlog in issuing bench warrants on delinquent deferred payments for fines. The Kaneohe district court should place an advertisement in a paper of general circulation to provide notice to individuals who cannot be located prior to escheating their unclaimed bails to the State.

Better follow-up was needed in many areas. We recommended that the first circuit family court's fiscal office should periodically inform the probation officers of delinquent amounts due so that follow-up collections can be assured. The Maui and Kauai district courts should follow-up on delinquent parking citations by issuing delinquency notices and license plate stoppers, and the Maui district courts should prepare penal summonses on a timely basis. Specific individuals at the Oahu and Maui district courts should be assigned responsibility for following up on outstanding penal summonses.

Judiciary's response. The Judiciary says it has developed a budget base format similar to that used by the Department of Budget and Finance. The format displays the method for determining each program's current budget base. The Judiciary has amended its policies to insure that savings are not used for purchasing equipment other than items essential to maintain program services and to prohibit purchases of replacement equipment from savings. All budget policies will be incorporated into the pending administrative manual.

In the area of internal controls, the Judiciary says that it has implemented an alternative method of accomplishing the recommendation on separating cash receipt duties. It has assigned the cash disbursement and reconciliation of bank accounts at the Honolulu district court to separate individuals. It has implemented the recommendations concerning check-signing machines and unused checks. Policies and procedures to safeguard court evidence are under way in the circuit courts and will be completed by March 1990. The Oahu district courts now reconcile trust funds accounts monthly and they hope to computerize the bail fund trust subsidiary control accounts to reconcile the large amounts generated by this account. The Hilo district courts plan to have their trust funds reconciled by June 1990; and reconciliation of trust fund accounts at the Kauai and Lahaina district courts will be completed shortly.

The Judiciary says that the Hilo and Kauai circuit courts are now in compliance with check approval procedures. Procedures for purchase orders, summary warrant vouchers, and safeguard controls over noncash assets have been brought into compliance with the *Financial Administration Manual*. The district courts in Honolulu, Maui, Hilo, and Kauai are complying with the procedures in the *Financial Administration Manual* for the depositing and processing of bail-by-mail payments. The Traffic Violations Bureau has changed its procedures to deposit underpayments and to bill defendants for the rest.

The Judiciary is taking steps to be more timely by disposing of unclaimed bails and outstanding returned checks by December 1989. It is up to date in issuing bench warrants on delinquent deferred payments, and a computer program is being developed for automatic issuance of various bench warrants. The Judiciary will purchase advertisements to provide additional notice for unclaimed bails, and it has reduced the backlog of bail-by-mail receipts in the Honolulu and Wailuku district courts. A computer system to prepare more timely penal summonses for the Maui district courts will be implemented by March 1990.

To ensure better follow-up, the Judiciary says it is updating its records of outstanding delinquent fines and restitutions so that follow-up collection efforts can be made. It anticipates that all delinquent restitution records through June 1989 will be completed by December 31, 1990, and it will examine various software packages to find the most suitable program for follow-up efforts. It is following up on delinquent parking citations by implementing a computer program to print notices of delinquent parking citations and license plate stoppers and to check on the status of penal summons. It will assign specific responsibility for following up on outstanding penal summonses in the Maui and Honolulu district courts.

Comments on the response. The Judiciary has adopted a new budget base format, and it is enforcing a policy on contingency and unbudgeted purchases.

In terms of internal controls, the Judiciary's alternate method of handling cash receipts duties at Honolulu district court still does not properly segregate duties. A posting clerk both handles cash and records cash receipts. Internal controls would be improved if the supervisor compared cashiers' copies of receipts with validated deposit slips. The Judiciary's new procedures for handling cash disbursement functions and the reconciliations of bank accounts, however, are adequate. Its controls over the check-signing machines and unused checks have also complied with the recommendation. As of December 14, 1989, the courts were not in compliance with the recommendation to implement uniform procedures to safeguard court evidence, and the courts still do not perform physical inventories of court evidence. The district courts in Kaneohe, Waianae, Lahaina, and Kauai currently reconcile their trust fund accounts on a monthly basis. The Honolulu district court reconciles all trust fund accounts; however, bail deposits totaling \$453,000 had not been reconciled as of December 28, 1989. The Hilo district court is also not in compliance currently but the Judiciary says that it will be by June 1990.

The Judiciary is largely in compliance with the recommendations on conforming with the *Financial Administration Manual*. Purchase orders, summary warrant vouchers, and safeguard controls over noncash assets follow the procedures in the manual as does the processing of bail-by-mail underpayments. The Kauai circuit court is in compliance with the check approval procedures in the manual but the Hilo circuit court is not. The Hilo circuit court has not yet received proper approval to delegate responsibility to authorize checks in excess of \$1,000. The district courts in Honolulu, Hilo, Wailuku, and Kauai are depositing bail-by-mail underpayments in accordance with the manual.

The Judiciary is making some progress in being more timely; however, it has not complied completely with the recommendations. The Kauai district and circuit courts have substantially disposed of the unclaimed bail held over two years, but the other courts continue to hold substantial unclaimed bail amounts. Bail held over two years at the Honolulu circuit court totaled approximately \$539,000. The court is currently working on disposing of unclaimed bail amounts held over two years. In addition, outstanding checks more than six months old had not been turned over to the director of finance as of December 27, 1989.

The Honolulu district court has substantially reduced the backlog in issuing bench warrants on delinquent deferred payments for fines, and it plans to eliminate the backlog completely by the third quarter of fiscal year 1990. New computer software to automatically prepare bench warrants is being tested. The Kaneohe district court has not yet placed advertisements in papers of general circulation about unclaimed bail. It plans to purchase advertisements in 1990.

The backlog in processing bail-by-mail payments has increased at the Honolulu district court from two weeks with approximately 11,000 envelopes in August 1988 to three weeks and an estimate 16,000 unopened envelopes in December 1989. The court hopes to reduce the backlog with a request for additional funds in the current budget. The backlog of bail-by-mail has been substantially reduced at the Wailuku district court. The Lahaina district court currently prepares penal summonses on a timely basis, but the Wailuku district court still has penal summonses that were ordered and not prepared dating back to 1985.

The Judiciary is also making progress in follow-up activities. The first circuit family court is working to reduce the backlog of delinquent fines and restitutions and, starting January 1990, it plans to periodically inform

probation officers about these fines and restitutions. Although large backlogs remain, the Maui and Kauai district courts have implemented a computer program to automatically print notices of delinquent parking citations and license plate stoppers. Finally, the Oahu district courts have assigned responsibility to follow-up on outstanding penal summonses to an account clerk and the Maui district court plans to assign this responsibility to someone in January 1990.

APPENDIX



SUPREME COURT OF HAWAII

ALIOLANI HALE

P. O. BOX 2560

HONOLULU, HAWAII 96804

CHAMBERS OF
HERMAN LUM
CHIEF JUSTICE

October 31, 1989

Mr. Newton Sue
Acting Auditor
The Office of the Auditor
State of Hawaii
485 S. King Street, Rm. 500
Honolulu, Hawaii 96813

RECEIVED

Oct 31 3 01 PM '89

OFFICE OF THE CLERK
STATE OF HAWAII

Dear Mr. Sue,

On July 5, 1989 and pursuant to the Judiciary Appropriations Act of 1989, you requested that we provide you with a written report regarding the recommendations made in Management and Financial Audit of the Judiciary (Auditor's Report No. 89-5) including a review of actions taken and actions planned, the development of pertinent timetables, and preliminary action plans regarding the Judiciary's management information systems. This letter responds to your request for these items and provides an interim report on what has been accomplished to date and what is planned for the future. The report is intended as a summary and more detail is available for your review should you wish it.

As you know, improving the Judiciary's administrative structure and management processes continues to be one of my top priorities. Since the issuance of Auditor's Report No. 89-5 in January 1989 and passage of the Judiciary Appropriations Act in April 1989, we have studied the findings and recommendations very carefully and initiated changes or set in motion plans and procedures that will lead to changes. While we do not agree with each and every conclusion in the report, Management and Financial Audit of the Judiciary has been and will continue to be an important tool for improving our organizational effectiveness.

We have, of course, given immediate priority to strengthening our financial and personnel management systems and to clarifying and codifying many of our policies and procedures. The interim administrative director of the courts along with other senior administrators and judges have been involved in implementing these and other changes and much has already been accomplished, particularly in the area of reorganization.

We have, for example, developed a formal Judiciary organizational structure along with organization charts and have submitted our plan to the appropriate labor organizations for formal consultation. The structure that we have developed clarifies the roles of the administrative judges and the

administrative director of the courts and establishes clear reporting relationships between court administrators and the administrative judges. Our reorganization also includes the establishment of a data processing and information division, the establishment of a capital improvements coordinator position, and the realignment of functions related to personnel, audit, facilities management and reprographics.

While I am pleased to report these organizational improvements, I must also note that other projects and activities engendered by the audit process are of a longer term nature and represent more formidable financial and technical challenges. In particular, technology, automation, and information management issues continue to be the focus of much time and attention. As you well know, there are no quick fixes for some of these problems and we feel obliged to exercise care and prudence in the formulation of goals, objectives, action plans and specific performance timetables. To that extent, a full report of some of these areas must wait.

Nonetheless, I am most pleased to respond to your request and enclose a summary of our efforts over the past six months. Your comments and advice would be appreciated and I look forward to reporting additional accomplishments when the Legislature reconvenes.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. Lum', written in a cursive style.

HERMAN LUM
Chief Justice

Management and Financial Changes in the Judiciary

Contained in Auditor's Report No. 89-5

October 31, 1989

Office of the Chief Justice
The Judiciary
State of Hawaii

The Recommendations of the Legislative Auditor and the Judiciary's Response

1. Recommendation: Establish a formal process to formulate and disseminate policy. The process should ensure staff participation and identify the points at which various policies become official, the kinds of policies various offices have the authority to issue, and the policies which are currently in effect. (Chapter 3, page 34)

The Judiciary has reviewed the policy-formulating and policy disseminating procedures of other state agencies and other states, consulted with the national center for state courts, and initiated the development of a Judiciary Administrative Procedures Manual. This manual will codify our various organizational policies and delineate the manner in which policies become official. A final printed and bound Administrative Procedures Manual will be completed by November 1990.

2. Recommendation: Give priority to developing a policy on organization that requires all units to have functional statements describing the duties and responsibilities of the unit accompanied by organization chart that accurately depicts, to the extent possible, the number and type of staff in each unit and the reporting relationship. The policy should delineate the procedures for reorganization, the steps in the review process, and the process for approval by the chief justice. (Chapter 3, page 34)

The personnel office has prepared functional statements and organizational charts for all Judiciary organizations. Those statements and charts will be published in final form once consultation with labor organizations has been completed in accordance with negotiated agreements, which should be by December 30, 1989. Policy and procedures on processing requests for reorganization have been obtained from state and county agencies for review. In addition, supplemental funds for a consultant have been requested from the legislature to update and revise the Personnel Manual of Policies and Procedures. Policy and procedures on processing requests to reorganize will be included in this manual. If funds are approved, this project should be completed by December 31, 1989.

3. Recommendation: In consultation with the justices of the supreme court, establish policy and procedures for evaluating the performance of the administrative director and other top administrators. (Chapter 3, page 34)

A functional statement has been developed for the office of the administrative director of the courts.

Specific performance rating criteria based on those legislatively mandated functions will be developed for the holder of that office in consultation with the justices of the supreme court. Rating criteria for other top Judiciary administrators will also be developed based on the functions of the units those administrators head and on the specific positions descriptions of those offices. These rating criteria will be put in place by June 1990.

4. Recommendation: Begin to reorganize the Judiciary by focusing on the functions of the courts and how they can be best supported. In doing so:

- * The authority and responsibility of administrative judges should be clearly established and differentiated from those of the administrative director and their salaries should be reviewed to determine whether they should be compensated for their additional duties;
- * Authority over chief clerks and court staff should either comply with the law or the Judiciary should seek to have the law amended;
- * Specifications and position descriptions of the chief clerks should be reviewed and upgraded and made more accurate and consistent. Supervision over the position should be clarified and the position of an exempt chief clerk should be converted to civil service; and
- * The organization of the office of the administrative director should focus on support functions, particularly those assigned by statute. (Chapter 3, page 34-35)

The Judiciary has undertaken a review of the respective roles and functions of administrative judges, of chief clerks and court administrators, and of the office of the administrative director of the courts; and is in the process of finalizing a system-wide policy in this area.

The Judiciary has begun to reorganize by focusing on the functions of the courts and how they can best be supported. In doing so:

- * The chief justice appointed an ad hoc committee of judges to study the administrative responsibilities of the administrative judges. Input into the committee process was provided by the administrative judges, the administrative director of the courts, and district, family and circuit court administrators. The committee developed a policy statement on the extent of authority of the administrative judges and their relationship with the various court administrators.

- As a result of the committee's recommendations, the authority over chief clerks and responsibilities of administrative judges have been clearly established and differentiated from those of the administrative director. Circuit, family and district court administrators have been placed under the management of the appropriate senior/administrative judge in compliance with statutes.
- To formalize this change, the personnel administrator amended class specifications and functional statements and rewrote position descriptions to clarify supervision over the positions. Regarding the position of an exempt chief clerk, that position was converted to civil service status effective June 27, 1989.
- In addition, a functional statement has been developed for the office of the administrative director of the courts which clearly limits that office's responsibilities to the support functions assigned by statute. In addition, the support functions of the administrative director of the courts are currently undergoing reorganization to increase responsiveness to court needs. That reorganization includes:
 - The establishment of a planning, budget and evaluation division consisting of the functions of the present planning and statistics office and the budget office and the establishment of a program evaluation and capital improvement functions.
 - The establishment of a fiscal and support services division comprised of a fiscal services branch from the budget and fiscal office, an administrative services branch, a facilities management branch from the first district court, a reprographics (printshop) branch from the first district court, a management services branch from the budget and fiscal office, and a contracts and purchasing branch.
 - The establishment of a data processing and information division headed by a newly authorized and established chief information officer position comprised of the Judiciary computer systems office and the data processing branch from the first district court.
 - The transfer of the internal audit office from the budget and fiscal office to the administrative director of the courts.
 - The transfer and consolidation of reprographic positions from the first district and first circuit courts to the new fiscal and support services division.
 - The realignment of functions within the personnel office.

Concerning the reorganization, the Judiciary has presented its plans to appropriate labor organizations for their review and comment. Once comments are received and considered, the overall reorganization should be formalized and completed by December 30, 1989.

5. Recommendation: Hold the office of the administrative director and its managers responsible to develop expertise for the conduct of support functions such as the statistical data system, assistance to the courts, facilities management and development; and require the staff to develop information that will enable performance to be monitored. (Chapter 3, page 35)

The Judiciary is taking various steps to improve the operations of the office of the administrative director and strengthen the expertise of the support offices under the administrative director. Special emphasis is being given to the development of a stronger base of information for use in management decision-making. To this end, the executive committee on information management has been incorporated into the executive committee on technology, and a review of the Judiciary's major statistical systems is being conducted. The addition of a chief information officer and a capital improvements coordinator will further strengthen the expertise available to the administrative director in the conduct of support functions.

6. Recommendation: The Judiciary establish a stronger identity for the family courts by instituting a more consistent system of judicial assignments to family court matters. (Chapter 4, page 56)

The Judiciary has implemented a variety of management changes in the family courts. In the first circuit, family court procedures have been simplified, divisional benchbooks prepared, case calendaring and judicial assignment systems streamlined, the use of per diem judges reduced, and backlogs and delays eliminated. In the second, third, and fifth circuits similar efforts are underway and will be completed by December 1990. Work on automated information management and the development of the family court center concept are in progress.

7. Recommendation: Priority attention be given to the needs of the district courts for automation, staffing, technical assistance, and other support that would enable them to improve operations and eliminate backlogs. (Chapter 4, page 56)

The Judiciary is giving priority attention to the needs of the district courts, particularly in the first circuit. A complete operational analysis aimed at reducing paperwork, reducing delays, enhancing resource utilization,

and modernizing caseflow management is underway and will be completed by February 1, 1990.

8. Recommendation: The courts establish and reinforce caseflow standards, policies, and goals by organizing, compiling, and distributing them widely. Policies and rules for each court should also be organized in an accessible document within each circuit. (Chapter 4, page 56)

The Judiciary maintains and routinely enforces caseflow time standards for nearly all types of cases in the trial, appellate, and specialty courts. The Judiciary intends to review these standards, to make changes where such changes are warranted, and to compile them into a more readily accessible document. This work will be completed by December 1990.

9. Recommendation: The chief justice review judicial assignments by assessing how many judges are required to handle the criminal caseload in the first circuit on an ongoing basis and consider transferring judges from the civil to criminal division if the drop in the civil workload justifies such an action. As part of this review, the chief justice should reduce reliance on per diem judges in the family and district courts and implement the recommendations of the national center for state courts to improve the selection, retention, and training of per diem judges. (Chapter 4, page 56)

The Judiciary is committed to the development of a management information system that accurately reports the workloads of the civil and criminal divisions of the first circuit and of all other court divisions in the Judiciary. To accomplish this and to set in place a more comprehensive, permanent, accurate, and timely caseflow reporting system, a re-examination of the court's statistical needs for both managerial and operational purposes is underway. The direct involvement of the newly appointed administrative director and the chief information officer are deemed to be instrumental to accomplishing this project. Until the new administrative director has had an opportunity to study these matters and appoint a chief information officer, the executive committee on technology will continue to review and advise on decisions in this area.

The use of per diem judges has declined dramatically in the family court of the first circuit and an operational analysis scheduled for completion by February 1990, is expected to yield the same result regarding the use of per diem judges in the district courts.

10. Recommendation: The Judiciary initiate action to adopt a decriminalized traffic offense system. (Chapter 4, page 56)

The Judiciary supports and encourages decriminalization of traffic offenses. During the last legislature, the courts helped develop legislation that would have yielded this result. In lieu of such legislative changes, the court is examining ways to reduce arraignments and expedite bail forfeitures through administrative orders as part of the district court operational analysis due on February 1990.

11. Recommendation: The office of the administrative director improve caseload and caseflow management information by developing and implementing consistent methods of data collection and reporting. (Chapter 4, page 57)

The Judiciary is embarking on a major effort aimed at strengthening its caseload and caseflow systems. The vehicle to accomplish this is the development of a fully automated and modernized information management system. In addition to facilitating more efficient day-to-day operations, the long-term aims of this system are: to provide comprehensive, accurate, and timely case data on filings; number and age of pending cases; dispositions; and other related measures. This type of modern information system is deemed by the Judiciary to be essential to professional court management. When the system is fully in place in all of the state courts, it will be used to measure workload and backlog to help support court budgets and the allocation of human and financial resources, and to track and assess the overall performance of the court system. It will also provide more reliable and timely information to other statistical users locally and nationally.

While many of the component hardware and software pieces of this system have been developed, the planning, development, and implementation of a fully linked system will be a top priority of the new administrative director and the to-be-hired chief information officer. An initial plan with timetables may be completed by June 1990. Until such time, the executive committee on technology is continuing its investigations and consultations and serves as the Judiciary's review committee for expenditures related to technology acquisition.

12. Recommendation: The office of the administrative director provide training opportunities for administrators on the use of management information and on caseflow management. When accurate and reliable information is available, managers should be given in-service training on practical ways to use data to analyze operations and make adjustments that improve caseflow. In addition, this training should include the dynamics of caseflow, understanding the "local legal culture" in which caseflow occurs, the promises and pitfalls of various caseflow management techniques such as

diversion and settlement conferences, programs and procedures for follow-up enforcement, and the use of computers in caseflow procedures. (Chapter 4, page 57)

As part of an overall effort to develop and utilize better information systems, the Judiciary intends to provide suitable training to program personnel involved in the management and operation of the courts' caseflow systems. The implementation of training and educational programs, including technological training for computer applications, will occur once the previously mentioned information management system is developed and operational.

In this regard, the Judiciary believes that effective, differentiated case flow management systems must be based on timely and accurate case reporting systems and that, once in place, such systems will enhance the utilization of suitable diversion, settlement, and alternative dispute resolution methods. Planning, development, and implementation of such systems will be the responsibility of the administrative director and the to-be-hired chief information officer, with advice and consultation from the executive committee on technology.

13. Recommendation: The office of the administrative director improve its support services to the courts particularly in the area of automation and personnel. (Chapter 4, page 57)

The Judiciary seeks to provide additional technical support to judges, trial court administrators, and staff; with special emphasis on support that improves caseflow management. The Judiciary recognizes the need to keep up with technological developments, to develop a more integrated and strategic approach to automated information management, and to balance larger, long-term applications with smaller, more immediate projects. In this context, the office of the administrative director, the chief information officer, and the executive committee on technology, will continue to develop appropriate plans, projects, and timetables that meet the courts' needs.

With regard to personnel related actions to improve court support services, specific action items in the legislative auditor's report were to reduce vacancy rates and review the discrepancy between circuit and district court grades. The subject of vacancy rates is addressed in detail under paragraph 25 of this report, since this topic is directly related to backlogs and delays in filling, classifying and establishing positions. The discrepancy between circuit and district court grades is addressed under paragraph 26. This issue is tied directly to a review of the Judiciary's classification system, particularly the clerical classes, discussed under that paragraph. The estimated completion date for this action is

December 1990, if supplemental budget funds are approved by the legislature for the hiring of a consultant.

14. Recommendation: The Judiciary vigorously pursue a program of facilities improvement within the constraints of its capital budget. (Chapter 4, page 57)

The Judiciary is currently preparing to hire a capital improvements coordinator. A capital improvement project committee composed of the administrative director and chief clerks (plus support from DAGS) has been established. Standing criteria for reviewing and prioritizing renovation requests have also been established.

15. Recommendation: Immediate attention be given to improving the district courts' records system. To improve access to case files, a standard case file folder system should be implemented to include indexes, master locator cards, or other such filing aids. (Chapter 5, page 64)

The Judiciary's operational and management analysis, which will be completed by February 1990, addresses this recommendation.

16. Recommendation: The supreme court move to finalize retention schedules as soon as possible. (Chapter 5, page 64)

By order of the supreme court on September 1, 1989, the schedule for the retention and disposition of records was finalized.

17. Recommendation: The office of the administrative director undertake the following:

- * develop and administer a program of records management training and technical assistance for trial court managers and supervisors;
- * develop policies and guidelines for records management that address proper file maintenance, retention schedules, inactive records storage, records security, and other important records issues;
- * resume and complete the forms project; and
- * clarify the responsibilities and supervision of the microfilm unit. (Chapter 5, page 64)

The Judiciary stays abreast of recent technological advances in the area of records management, and is committed to the development of a comprehensive program of training and technical assistance in this area. Standardized procedures are also being developed and

funds will be sought from the legislature for a records management supervisor. In the interim, the microfilm unit will be under circuit court administration. The forms project has been reinstated, and completion is expected by June 1990.

18. Recommendation: The chief justice and the administrative director in consultation with members of the executive committee on technology appoint a chief information officer with primary authority for information systems development and administration (Chapter 6, page 80)

The personnel office has developed classification specifications and functional statements for this position and recruitment for the position is presently underway. We anticipate that a chief information officer will be selected in early 1990.

19. Recommendation: The chief information officer, the chief justice, administrative director, and the executive committee on technology work together to:

- * establish policies and priorities;
- * develop a detailed tactical plan that identifies priority projects, the resources required to accomplish those projects, realistic and specific timeframes for project work, and the project management structures to be used to accomplish the work;
- * establish effective management structures and controls for each project.
- * establish an appropriate "architecture" that optimally meets the needs of users;
- * establish procedure for systematically evaluating commercial software packages. (Chapter 6, page 80)

The Judiciary is committed to strengthening its computerized information systems by: establishing sound policies and procedures; prioritizing projects, establishing more effective management structures with proper controls, clarifying computer architecture; and developing more systematic software evaluation methods. We believe, however, that improvements in this area must be in phase with plans for the development of a comprehensive, permanent, accurate, and timely management information reporting system. The previously mentioned re-examination of the court's statistical needs for both managerial and operational purposes is essential to these purposes. Specific goals, objectives, action plans, and performance timetables will be formulated when a new administrative director and chief information officer are on board. They will be supported with the advice and expertise of the executive committee on technology.

20. Recommendation: The Judiciary computer systems office be restructured to place organizationally within JCS the data processing operation currently under Honolulu district court. The ongoing role of JCS should evolve toward data center operations; specialist staff support in systems programming; administration of communication, networking and interface systems; and technical assistance for applications acquisition development projects. Major applications projects should be administered on a decentralized basis, with user/managers in charge and JCS staff used for technical advice and support. (Chapter 6, page 80)

Organizational charts and functional statements reflecting the consolidation of the Honolulu district court data processing operation and the Judiciary computer systems office have been prepared and submitted to the appropriate labor organizations for review and comment. Once consultations with labor organizations have been completed, actions pertaining to the realignment can be finalized. Estimated completion date for this item is December 30, 1989. The recommendation that major applications projects should be administered on a decentralized basis will be reviewed by the new chief information officer.

21. Recommendation: The Judiciary computer systems office assess whether it would be less expensive to lease or purchase the IBM 4381. (Chapter 6, page 80)

The Judiciary has appraised the comparative costs of leasing versus purchasing the IBM 4381 computer system. Because of anticipated obsolescence and projected maintenance costs, we find that leasing is the most prudent and efficient use of public funds.

22. Recommendation: In coordination with the courts and programs, the administrative director and the personnel director develop policies on the organization of the personnel function within the Judiciary. The role of the personnel administrator and the authority delegated to the position should be clarified and functional statements for the personnel office should be developed. (Chapter 7, page 105)

The Judiciary is further developing and disseminating its policies on the organization of the personnel office and its functions. This large and complex project requires outside technical assistance. The Judiciary, pending supplemental budget request for funds, estimates completion by December 1990. New employee orientations have been completed and training programs for court administrators have been conducted on organization, functions, and procedures associated with personnel processes in the Judiciary. The role and

authority of the personnel administrator are under review and a functional statement for the office and a memorandum covering these matters will be disseminated by December 1989.

23. Recommendation: The Judiciary develop personnel policies and procedures in keeping with its administrative rules. Priority should be given to completing and refining the existing manual of policies and procedures to include procedures for all personnel transactions. The administrative director and personnel administrator should seek the assistance of the heads of the courts and programs. (Chapter 7, pages 105-106)

The Judiciary is proceeding with the further development and codification of its personnel policies and procedures. Responses from Judiciary managers have been solicited and additional discussions between the personnel office and various units within the Judiciary are underway. Additional outside technical and financial resources will be requested in order to assure completion by December 1990.

24. Recommendation: In developing these policies, consideration should be given to correcting specific areas such as (a) the transfer of positions and other organization efforts without proper justification and review; and (b) the use of contract employees without adequate standards, procedures, or administrative review. (Chapter 7, page 106)

The Judiciary is preparing to conduct position management reviews aimed at identifying positions that are no longer current. Formal reviews will begin in January 1991 after Judiciary managers and labor organizations have been consulted. The use of contract employees within the Judiciary is also being reviewed. Pending the outcome of this review, new procedures regarding contract employees will be completed by December 30, 1990.

25. Recommendation: The personnel administrator should focus attention on improving the efficiency of his office. At a minimum this would include:

- * A management information system to include regular reporting of office activities and transactions;
- * Time standards for recruitment and classification actions; and
- * A plan to reduce backlog and delays.

The results of these activities should be communicated to the courts and programs, and office activities and transactions should be included in the Judiciary's annual report. (Chapter 7, page 106)

The personnel office instituted weekly staff meetings beginning May 23, 1989, and instituted monthly activity reports in June 1989. Office activities and transactions will be communicated to Judiciary managers at staff meetings, and selected personnel information will be included in the Judiciary's annual report.

Several actions have been completed or are underway regarding time standards for recruitment and classification actions. Based on data in personnel department's ALPHA3 data base for the fiscal years 1986 through 1989, the classification sections has developed a profile of how many classification actions on average have been processed per month by the division and how long on average it has taken to process classification requests. The classification division also developed a priority system for processing classification actions in August 1989. The recruitment and examination division is developing a form to track requests through each step in the recruiting process covering the time from date of receipt of a recruitment request to the date a listing of eligibles is provided to the selecting official. The data collected from these forms will be aggregated to develop time processing standards and to identify those recruiting processing steps that consume the most time. The estimated completion date for the development of standards is April 30, 1990.

26. Recommendation: The personnel administrator should take steps to overhaul the Judiciary's classification plan to include a survey and study of the clerical classes. The Judiciary seek the assistance of an outside consultant experienced in judicial personnel systems for the initial study, and that a plan be developed for maintaining the system thereafter. (Chapter 7, page 106)

The personnel office has developed a supplemental budget request for a consultant to study the Judiciary's classification system, specifically the clerical classes and more particularly the discrepancy between circuit and district court grades identified by courts (Paragraph 13 of this report). If funds are approved by the legislature, it is estimated that the study can be completed by December 31, 1990.

27. Recommendation: The Judiciary examine its employee development and training program to bring activities in line with existing policies in the areas of judicial and nonjudicial training, performance evaluation, and affirmative action.

- * The judicial education program should be upgraded to include a more comprehensive orientation program for new judges and orientation and training for per diem judges;
- * The personnel office should have a greater role in coordinating all nonjudicial training. It should

conduct a needs assessment in coordination with program managers. The Judiciary should consider making training a separate budget item for all programs;

- * The personnel office should review the performance evaluation program to see whether the process could be streamlined to avoid inconsistencies and backlog; and
- * The Judiciary should create a full-time position for an affirmative action officer who would be responsible for developing a plan, gathering data, setting up a grievance procedure, and implementing a program. (Chapter 7, page 106)

The Judiciary is currently assessing its judicial education activities and intends to upgrade its training and orientation programs by offering additional in-service and out-service programs. In conjunction with this assessment, serious consideration is being given to making training a separate budget item in all program budgets. A comprehensive and on-going program to accomplish this will be in place by July 1991. Backlogs in performance evaluation have now been eliminated and process streamlining will be completed by January 1991. The Judiciary anticipates the hiring of an affirmative action officer by March 1990.

28. Recommendation: The Judiciary should review its pre-employment medical standards program and develop a more effective implementation plan. Consideration should be given to the capacity of the personnel office to adequately administer the program and to whether the elaborate pre-employment screening process is justified for all employees. (Chapter 7, page 107)

The personnel office has developed a plan to review and prepare recommendations for a more effective pre-employment medical standards program. The plan calls for a complete review of the medical standards program.

29. Recommendation: The office of the sheriff be transferred from the Judiciary to the executive branch. (Chapter 8, page 122)

Pursuant to Act 211, Session Laws, 1989, the Judiciary will transfer the office of the sheriff to the executive branch in July 1990.

30. Recommendation: Until such a transfer is made, the chief justice and administrative director of the courts take prompt action to provide the sheriff's office with the leadership, support, and resources necessary to ensure the health, safety, and welfare of the deputies, other court personnel, and the public. (Chapter 8, page 122)

The Judiciary has taken various steps to ensure proper leadership, support, and resources during the transition of the sheriff's office to the executive. Since August 1989, the first deputy was appointed acting sheriff. Additional deputy sheriff positions are being filled and meetings with judges and court administrators have been held to improve coordination, communication, morale and the scheduling of activities and events. The manual of standard operating procedures has been updated and motor vehicle maintenance improved.

31. Recommendation: The legislature amend sections 601-4, and 607-8, HRS, to change the process for serving civil process. The responsibility should be removed from the sheriff's office and transferred to the attorneys involved in the litigation process. The Judiciary should only be involved in training, qualifying, and certifying process servers. (Chapter 8, page 122)

The Judiciary is reviewing the current practice of service of process and subpoenas by the office of the sheriff and is studying the manner in which this function is performed in other jurisdictions. A working committee composed of representatives from the staff attorney's office and the district, circuit, and supreme courts is developing proposed qualifications for licensed process servers and their recommendations are expected to be completed by January 1990.

32. Recommendation: The Judiciary establish a formal program development policy and process to help ensure the systematic development and adoption of new programs. (Chapter 8, page 122)

The Judiciary intends to establish a formal program development and program review policy for inclusion in the Administrative Procedures Manual by December 1990. A designated program evaluation component is also under development in the administrative director's office.

33. Recommendation: The Judiciary:

- * Determine a realistic budget base for its programs as the first step in preparing its budget request; (page 129) and
- * Discontinue its policy of purchasing equipment from savings. Instead, the Judiciary should present its needs to the legislature for its decision on whether funds should be appropriated. (Chapter 9, page 129)

The Judiciary has reviewed its budget preparation and execution procedures and has developed a more formal process and better forms for determining a realistic

budget base for its programs. The new procedures will ensure that the methodologies used to determine each program's current funding level are properly displayed. The Judiciary's budget and administrative policies have been amended to insure that savings are not used for purchasing equipment, other than items essential to maintain program services. All programs and units have been instructed regarding this policy. These and other policies pertaining to the Judiciary's budget procedures will be incorporated in the Judiciary's Administrative Procedures manual.

34. Recommendation: The cash receipts duties be separated and performed by different individuals at the Honolulu court. (Chapter 9, page 129)

Due to staff vacancies, the Judiciary has implemented an alternative method of accomplishing the Auditor's recommendations with regard to cash receipts duties. The cashier (who does not perform the function of receiving cash, depositing cash, or recording cash receipts) now verifies the daily collections after they have been tallied for deposit.

35. Recommendation: The cash disbursement functions and reconciliation of bank accounts at the Honolulu district court be performed by separate individuals; (Chapter 9, page 130)

As an alternative due to a limited staff, the Judiciary assigned the duties of preparing checks to a separate individual. All bank reconciliations are now also submitted to and reviewed by the division fiscal officer.

36. Recommendation: The Hilo and Kauai circuit courts adhere to the check approval procedures set forth in the Judiciary's Financial Administration Manual. (Chapter 9, page 131)

The Judiciary's third and fifth circuit are now in compliance with existing check approval procedures.

37. Recommendation: One of the keys to the check-signing machine be under the control of the fiscal officer or designee to control the use of the machine. Both keys should not be left in the check-signing machine when not in use. In addition, we recommend that access to the supply of blank checks be physically controlled in a locked storage area under the control of the fiscal officer or designee. (Chapter 9, page 131)

The Judiciary has implemented these recommendations.

38. Recommendation: The Judiciary develop and implement uniform procedures to safeguard court evidence. These procedures should provide for the maintenance of perpetual inventory records, performance of periodic physical inspection of inventory by an individual other than the custodian of the evidence, and storage of evidence in a secured area with proper controls over its receipts and release. (Chapter 9, page 132)

The Judiciary is developing policies and procedures to safeguard evidence, and expects to complete this activity on a statewide basis by December 1989.

39. Recommendation: The Judiciary ensure the timely disposition of all unclaimed bail and old outstanding and returned checks that are eligible to become government realizations as provided by law. (Chapter 9, page 133)

The Judiciary expects to complete its disposal of all unclaimed bails and outstanding returned checks by December 1989.

40. Recommendation: Honolulu family court's fiscal office periodically inform the probation officers of delinquent amounts due so that proper follow-up collection efforts can be assured. (page 133)

The Judiciary is updating its records to fully determine the amount of outstanding receivables for fines and restitutions and will complete this project by December 1989. Thereafter, probation officers will be provided regular reports on delinquent amounts.

41. Recommendation: The Judiciary take the steps necessary to eliminate the backlog in issuing bench warrants on delinquent deferred payments for fines and consider expanding the capabilities of the present computer system to automatically prepare bench warrants to individuals with delinquent deferred payments. (Chapter 9, page 134)

The Judiciary is up-to-date on issuing bench warrants to individuals with delinquent deferred payments relating to current criminal cases, and a computer program for automatic issuance is being developed.

42. Recommendation: The Honolulu, Kaneohe, Waianae, Hilo, Lahaina, and Kauai district courts reconcile their trust fund subsidiary ledger account on a regular basis and that any differences be immediately investigated and corrected. (Chapter 9, page 135) and

The Honolulu district courts now reconcile trust fund accounts monthly, and the Judiciary intends to comput-

erize its bail fund accounts by August 1990. The Hilo district courts plan to have their trust fund accounts reconciled by June 1990. The reconciliation of trust accounts for the Lahaina and Kauai district courts has commenced and will be completed December 1989 and January 1990 respectively.

43. Recommendation: The Judiciary take the steps necessary to ensure that all purchase orders are properly approved as set forth in the Judiciary's Financial Administration Manual. (Chapter 9, page 135)

The Judiciary has clarified its procedures regarding purchase order approval and has made appropriate changes to the Financial Administration Manual.

44. Recommendation: The Judiciary take the steps necessary to ensure that summary warrant vouchers are signed by the appropriate individual as set forth in the Judiciary's Financial Administration Manual. (Chapter 9, page 136)

The Judiciary's policies and procedures pertaining to payments and payment approving authorities have been clarified and revisions have been entered into the Financial Administration Manual.

45. Recommendation: The Judiciary take the steps necessary to ensure that circuit courts comply with safeguard controls as prescribed in the Judiciary's Financial Administration Manual. (Chapter 9, page 136)

The Judiciary's safeguard control processes are in compliance with the procedures as prescribed in the Judiciary's Financial Administration Manual.

46. Recommendation: The Kaneohe district court provide notice to individuals who cannot be located by placing a single advertisement in a paper of general circulation prior to escheating their unclaimed bails to the State. (Chapter 9, page 137)

The Judiciary will purchase advertisements to provide additional notice of unclaimed bails.

47. Recommendation: The Judiciary take the steps necessary to eliminate the current backlog in BBM receipts and to ensure that future BBM receipts be processed on a daily basis. (Chapter 9, page 138)

Through the use of overtime employment, the backlog of unprocessed BBM receipts has been reduced to eight days in the Honolulu district courts. The backlog in the

Wailuku court has been reduced from two months to one to two weeks. Feasibility studies of a "lock-box" system will be completed by June 1990.

48. Recommendation: The Judiciary take the steps necessary to ensure that BBM underpayments are deposited and processed as set forth in the Judiciary's Financial Administration Manual. (Chapter 9, page 138)

The Judiciary's Honolulu, Maui, Hilo, and Kauai district courts are complying with the procedures regarding the depositing and processing of BBM payments as set forth in the Judiciary's Financial Administration Manual.

49. Recommendation: The Maui and Kauai district courts properly follow-up on delinquent parking citations by issuing delinquency notices and license plate stoppers. (Chapter 9, page 139)

The Judiciary has implemented a computer program to print notices of delinquent parking citations and license plate stoppers.

50. Recommendation: Maui district courts prepare summonses on a timely basis (Chapter 9, page 139)

The Judiciary intends to implement a computer system to prepare penal summonses by October 1989.

51. Recommendation: Specific individuals at the Oahu and Maui district courts be assigned the responsibility for the follow-up of outstanding penal summonses. (Chapter 9, page 140)

The Judiciary intends to assign the responsibility for following up on outstanding penal summonses in the Maui district court to a specified individual in January 1990. In the Honolulu district court, the traffic violations bureau is responsible to follow up on all outstanding penal summonses.



Office of the Administrative Director of the Courts
The Judiciary • State of Hawaii

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JAN 12 3 56 PM '90

Post Office Box 2560, Honolulu, Hawaii 96804
STATE OF HAWAII

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January 12, 1990

Mr. Newton Sue, Acting Auditor
Office of the Auditor
465 S. King Street, Room 500
Honolulu, Hawaii 96813

Dear Mr. Sue:

On October 31, 1989, Chief Justice Herman Lum forwarded the Judiciary's report on "Management and Financial Changes in Judiciary" summarizing actions taken and actions planned, including timetable estimates and preliminary action plans regarding management information systems. On behalf of the Chief Justice, I am pleased to advise you of additional progress and provide other information regarding some of the areas covered in that report. Should you have any questions or if I can provide you with additional information, feel free to contact me at 548-4605.

Sincerely,

Irwin Tanaka
Administrative Director
of the Courts

UPDATE TO MANAGEMENT AND FINANCIAL CHANGES IN THE JUDICIARY

RECEIVED

JAN 12 3 56 PM '90

January 10, 1990

OFFICE OF THE CLERK
STATE OF HAWAII

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2. Recommendation: Give priority to developing a policy on organization that requires all units to have functional statements describing the duties and responsibilities of the unit accompanied by organization chart that accurately depicts, to the extent possible, the number and type of staff in each unit and the reporting relationship. The policy should delineate the procedures for reorganization, the steps in the review process, and the process for approval by the chief justice. (Chapter 3, page 34)

Substantial progress has been made regarding reorganization. The estimated completion date of this item, however, should be changed to December 31, 1990. The date of December 31, 1989 given in our report was in error.

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11. Recommendation: The office of the administrative director improve caseload and caseflow management information by developing and implementing consistent methods of data collection and reporting. (Chapter 4, page 57)
 12. Recommendation: The office of the administrative director provide training opportunities for administrators on the use of management information and on caseflow management. When accurate and reliable information is available, managers should be given in-service training on practical ways to use data to analyze operations and make adjustments that improve caseflow. In addition, this training should include the dynamics of caseflow, understanding the "local legal culture" in which caseflow occurs, the promises and pitfalls of various caseflow management techniques such as diversion and settlement conferences, programs and procedures for follow-up enforcement, and the use of computers in caseflow procedures. (Chapter 4, page 57)

Pursuant to these recommendations, the Judiciary solicited the assistance of the National Center for State Courts and conducted a series of intensive two-day case management workshops with key decision-makers and administrators from the Family, District, and Circuit Courts and the Administrative Director's office. These workshops served to both educate key Judiciary staff members about

management information systems as well as to begin the longer term process of defining data elements, standardizing definitions, and designing new information reports. Additional updating of the First Circuit Family Court's data bases has also taken place.

18. Recommendation: The chief justice and the administrative director in consultation with members of the executive committee on technology appoint a chief information officer with primary authority for information systems development and administration. (Chapter 6, page 80)

The position of Chief Information Officer has been advertised and applications reviewed. The Judiciary plans to re-advertise the position for selection at a rate of pay above the minimum salary level.

22. Recommendation: In coordination with the courts and programs, the administrative director and the personnel director develop policies on the organization of the personnel function within the Judiciary. The role of the personnel administrator and the authority delegated to the position should be clarified and functional statements for the personnel office should be developed. (Chapter 7, page 105)

A draft document detailing the role and authorities of the Personnel Administrator has been developed and is currently being finalized for review by the Administrative Director of the Courts.

25. Recommendation: The personnel administrator should focus attention on improving the efficiency of his office. At a minimum this would include:
- * A management information system to include regular reporting of office activities and transactions;
 - * Time standards for recruitment and classification actions;
 - * A plan to reduce backlog and delays.

The results of these activities should be communicated to the courts and programs, and office activities and transactions should be included in the Judiciary's annual report. (Chapter 7, page 106)

The Recruitment and Examination Branch has developed a tracking system that details steps in the recruitment and examination process and the data collected from these forms will be used to identify problem areas and develop time processing standards. The estimated completion date is April 30, 1990. The tracking system has already enabled the Personnel Office to identify some unnecessary steps and shorten the processing time of requests to fill established vacant positions. A management information system that includes regular reporting of office activities and transactions has been implemented.

27. Recommendation: The Judiciary examine its employee development and training program to bring activities in line with existing policies in the areas of judicial and nonjudicial training, performance evaluation, and affirmative action.

- * The judicial education program should be upgraded to include a more comprehensive orientation program for new judges and orientation and training for per diem judges;
- * The personnel office should have a greater role in coordinating all nonjudicial training. It should conduct a needs assessment in coordination with program managers. The Judiciary should consider making training a separate budget item for all programs;
- * The personnel office should review the performance evaluation program to see whether the process could be streamlined to avoid inconsistencies and backlog; and
- * The Judiciary should create a full-time position for an affirmative action officer who would be responsible for developing a plan, gathering data, setting up a grievance procedure, and implementing a program.
(Chapter 7, page 106)

The Personnel Office is reviewing a new, comprehensive training plan. Proposed class specifications for an Affirmative Action Officer class were circulated to personnel jurisdictions. Concurrence has been received from one jurisdiction and concurrence from others is anticipated. The estimated completion date for the hiring of an Affirmative Action Officer remains March 1990.

28. Recommendation: The Judiciary should review its pre-employment medical standards program and develop a more effective implementation plan. Consideration should be given to the capacity of the personnel office to adequately administer the program and to whether the elaborate pre-employment screening process is justified for all employees. (Chapter 7, page 107)

The Judiciary's contract with Occu-Med is presently being reviewed to determine the extent of Occu-Med's compliance with the terms of the contract. Completion of this phase of the contract review process is expected by February, 1990.

33. Recommendation: The Judiciary:

- * Determine a realistic budget base for its programs as the first step in preparing its budget request; (page 129) and
- * Discontinue its policy of purchasing equipment from savings. Instead, the Judiciary should present its needs to the legislature for its decision on whether funds should be appropriated. (Chapter 9, page 129)

The Judiciary has developed a budget base format similar to that used by the Department of Budget and Finance in the executive branch for all Judiciary programs. This format displays the methodology used to determine each program's current budget base. The Fiscal Office has amended the policy on replacement equipment to prohibit purchases through program savings, and has issued an amendment to the current policy in the Financial Manual. Memoranda reiterating the Judiciary's policies on contingency and unbudgeted purchases have also been directed to all programs. All budget policies will be incorporated in an Administrative Manual funding the funding of which for which has been included in the supplemental budget request.

34. Recommendation: The cash receipts duties be separated and performed by different individuals at the Honolulu court. (Chapter 9, page 129)

The problem of separation of duties in handling cash receipts was rectified in time for the last audit for the year ended June 30, 1988.

35. Recommendation: The cash disbursement functions and reconciliation of bank accounts at the Honolulu District Court be performed by separate individuals. (Chapter 9, page 130)

Presently, due to a shortage of manpower, the Fiscal/Accounting

personnel must often double up on job responsibilities. However, to assure that a separation of duties is maintained with regard to cash disbursements, the Judiciary is adhering to the following procedures:

1. The duties of preparing checks are assigned to personnel other than the individual who reconciles the particular checking account.
 2. All bank reconciliations are submitted, reviewed, and signed by the Fiscal Officer.
 3. Since checks are used in sequential order, the Fiscal Officer numerically accounts for each check issued for the month by inspecting the carbon copy check duplicate.
 4. The Fiscal Office also inspects the back-up document signed by the employee requesting the check.
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37. Recommendation: One of the keys to the check-signing machine be under the control of the fiscal officer or designee to control the use of the machine. Both keys should not be left in the check-signing machine when not in use. In addition, we recommend that access to the supply of blank checks be physically controlled in a locked storage area under the control of the fiscal officer or designee. (Chapter 9, page 131)

The District Court Fiscal Officer has implemented this recommendation. The check register is physically located within the wall safe. Strict key control has been implemented within and between assigned personnel.

38. Recommendation: The Judiciary develop and implement uniform procedures to safeguard court evidence. These procedures should provide for the maintenance of perpetual inventory records, performance of periodic physical inspection of inventory by an individual other than the custodian of evidence, and storage of evidence in a secured area, with proper controls over its receipt and release.

The development of standardized procedures and policies for safeguarding of evidence is underway in the Circuit Courts, and will be completed by March, 1990.

40. Recommendation: Honolulu family court's fiscal office periodically inform the probation officers of delinquent amounts due so that proper follow-up collection efforts can be assured. (page 133)

The Judiciary anticipates that all delinquent restitution records through June 30, 1989 will be completed by December 31, 1990. Various software packages are being examined to find the most suitable program that will facilitate follow-up efforts on restitutions and fines.

41. Recommendation: The Judiciary take the steps necessary to eliminate the backlog in issuing bench warrants on delinquent deferred payments for fines and consider expanding the capabilities of the present computer system to automatically prepare bench warrants to individuals with delinquent deferred payments. (Chapter 9, page 134)

There is no backlog in issuing bench warrants on delinquent deferred payments for fines. The computer program for the automated preparation of various bench warrants is being developed.

42. Recommendation: The Honolulu, Kaneohe, Waianae, Hilo, Lahaina, and Kauai district courts reconcile their trust fund subsidiary ledger account on a regular basis and that any differences be immediately investigated and corrected. (Chapter 9, page 135)

The Honolulu District Court has reconciled trust fund accounts (cashbond, rental trust, rescinded impositions, garnishee fines, stale checks, etc.) monthly. The District Court Fiscal Office hopes to computerize its bail fund trust subsidiary control accounts to reconcile the large amount this account generates.

46. Recommendation: The Kaneohe District Court provide notice to individuals who cannot be located by placing a single advertisement in a paper of general circulation prior to escheating their unclaimed bails to the State. (Chapter 9, page 137)

When the next advertisement is due for escheat, the District Court Fiscal Office intends to contact Kaneohe Court for our list.

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48. Recommendation: The Judiciary take the steps necessary to ensure that BBM underpayments are deposited and processed as set forth in the Judiciary's Financial Administration Manual (Chapter 9, page 138)

The TVB has changed it's procedures to deposit underpayments and to bill defendants for the rest. The work required to do this has tripled, however, since it now requires additional steps in computer input process. Continuing staff shortages, coupled with the above procedures, have also impinged on the availability of staff to maintain the counter and balance receipts and answer questions over the telephone.

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50. Recommendation: Maui district courts prepare summonses on a timely basis. (Chapter 9, page 139)

The implementation date for the Maui district courts to prepare penal summonses by computer has been delayed until March 1990. The court is working to complete issuing delinquency parking citation notices and license plate stoppers for all of its courts.

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51. Recommendation: Specific individuals at the Oahu and Maui district courts could be assigned the responsibility for the follow-up of outstanding penal summonses. (Chapter 9, page 140)

The Judiciary has acquired and a personal computer to computerize logs, control the issuance and recall of penal summons, and to check the status of penal summons. A larger database package will be requested to help control, print and issue summons on an ongoing basis. The Judiciary eventually anticipates linking several personal computers together so that anyone can view the status of a particular summons.

