

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS
Salaries and Expenses
SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS

Fiscal Year 2021 Enacted Appropriation	\$95,675,000
Fiscal Year 2022 Appropriation Request	\$100,342,000
Requested Increase from Fiscal Year 2021 Enacted Appropriation	\$4,667,000

APPROPRIATION LANGUAGE

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, [\$95,675,000]\$100,342,000, of which not to exceed \$8,500 is authorized for official reception and representation expenses.

**SUMMARY OF REQUEST
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS
FISCAL YEAR 2022
(Dollar amounts in thousands)**

Fiscal Year 2022 Resource Requirements:

<u>Page</u>		<u>FTEs</u>	<u>Amount</u>
	Fiscal Year 2021 Obligations.	1,306	\$237,557
	Estimated FY 2021 fee collections.	-	(9,619)
	Fee carryforward from FY 2020 into FY 2021	-	(9,631)
	Carryforward from Judiciary Information Technology Fund.	-	(4,631)
	Reimbursable Programs	<u>(674)</u>	<u>(118,001)</u>
	Fiscal Year 2021 Enacted Appropriation.	632	\$95,675

Adjustments to Base to Maintain Current Services:

A. Personnel

Pay and benefit adjustments

8.17	1. Proposed January 2022 pay adjustment	-	773
8.17	2. Annualization of January 2021 pay adjustment	-	206
8.17	3. Promotions and within-grade increases.	-	782
8.17	4. Benefits increases		
8.17	a. Health benefits	-	176
8.18	b. FICA adjustment	-	103
8.18	c. FERS adjustment	-	926

<u>Page</u>		<u>FTEs</u>	<u>Amount</u>
	B. Other Adjustments		
8.18	5. Inflationary increases in charges for contracts, services, supplies, and equipment.	-	167
8.18	6. Decrease in requirements to maintain FY 2021 service levels due to anticipated increase in non-appropriated funds.		(469)
8.19	7. Annualization of new positions requested in FY 2021		
8.19	a. Procurement Reform (annualization of 13 pos).	6.5	1,092
8.19	b. Office of Compliance and Risk (annualization of 1 pos).	0.5	97
8.19	c. AO Internal Control Self-Assessment Training (annualization of 1 pos).	0.5	111
	Subtotal, Adjustments to Base to Maintain Current Services	7.5	3,964
	Total Current Services Appropriation Required	639.5	99,639
	<u>Program Increases:</u>		
8.19	8. Office of Compliance and Risk	0.5	100
	9. Procurement and Contract Management Improvements	3.0	603
	Total Fiscal Year 2022 Appropriation Required	643	100,342
	Total Appropriation Increase, Fiscal Year 2021 to Fiscal Year 2022.	11	4,667
	<u>Financing the Fiscal Year 2022 Request:</u>		
	Total Appropriation Required.	643	100,342
8.20	Estimated FY 2022 fee collections	-	11,824
8.20	Estimated fee carryforward from FY 2021 into FY 2022.	-	7,895
8.21	Reimbursable programs	690	123,931
8.22	Contractor Insourcing	40	6,812
	Estimated Obligations, Fiscal Year 2022	1,373	250,804

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

Activity	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
Program Direction and Policy Formulation	88,346	89,044	97,829
Program Services	42,204	45,538	46,438
Administrative Services	53,043	55,075	58,871
Technology Services	45,203	47,900	47,666
Total Obligations	228,796	237,557	250,804
Unobligated Balance, Start of Year: Judiciary Information Technology Fund	(3,801)	(4,626)	-
Deposits and Other Adjustments: Judiciary Information Technology Fund	(4,556)	(5)	-
Unobligated Balance, End of Year: Judiciary Information Technology Fund	4,626	-	-
<i>Subtotal, Other Obligations</i>	<i>(3,731)</i>	<i>(4,631)</i>	-
Direct Obligations	225,065	232,926	250,804
Offsetting Collections			
Federal Funds	(23,770)	(19,250)	(19,719)
Reimbursable Programs	(107,034)	(118,001)	(130,743)
<i>Salaries and Expenses</i>	<i>(87,052)</i>	<i>(93,670)</i>	<i>(104,567)</i>
<i>Electronic Public Access</i>	<i>(12,753)</i>	<i>(14,980)</i>	<i>(15,364)</i>
<i>Defender Services</i>	<i>(5,492)</i>	<i>(7,198)</i>	<i>(8,613)</i>
<i>Court Security</i>	<i>(1,737)</i>	<i>(2,153)</i>	<i>(2,199)</i>
Available Appropriation	\$94,261	\$95,675	\$100,342

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

Description	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
1100 Personnel compensation	159,226	166,833	179,008
1200 Personnel benefits	54,281	56,495	61,909
1300 Benefits for former personnel	134	24	24
2100 Travel	597	456	470
2200 Transportation of things	137	134	138
2330 Communications, utilities, & misc	574	659	679
2400 Printing and reproduction	101	158	163
2500 Other services	4,371	4,699	4,840
2600 Supplies and materials	325	983	1,013
3100 Equipment	971	2,485	2,560
4200 Claims		-	-
9100 Undefined Disbursements (JITF Deposit)	4,348	-	-
Direct Obligations	225,065	232,926	250,804
Other Obligations (JITF Obligations)	3,731	4,631	-
Total Obligations	228,796	237,557	250,804

ADMINISTRATIVE OFFICE
Salaries and Expenses
Full-Time Equivalents by Activity

Activity	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
Program Direction and Policy Formulation	201	216	230
Program Services	309	343	344
Administrative Services	373	411	435
Technology Services	309	336	364
Total, Full-Time Equivalents	1,191	1,306	1,373
Less: Reimbursable Positions	(574)	(674)	(730)
<i>Salaries and Expenses</i>	461	539	587
<i>Electronic Public Access</i>	74	85	85
<i>Defender Services</i>	30	40	48
<i>Court Security</i>	9	10	10
Total, Direct Full-Time Equivalents	617	632	643

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

	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
Direct obligations incurred	225,065	232,926	250,804
Obligated balance, unpaid obligations, start of year	13,127	13,730	14,210
Adjustments of prior year activity	1,991	2,080	2,169
Obligated balance, unpaid obligations, end of year	<u>(13,730)</u>	<u>(14,210)</u>	<u>(15,300)</u>
Total Outlays	226,453	234,526	251,882
Less Offsets	<u>(129,088)</u>	<u>(137,251)</u>	<u>(150,462)</u>
Net Outlays	97,365	97,275	101,420

GENERAL STATEMENT AND INFORMATION

This appropriation is for the necessary expenses of the Administrative Office of the United States Courts (AO), pursuant to 28 U.S.C. §§ 601-613. Created by an Act of Congress in 1939, the AO is the central support entity for the judicial branch. It supports and serves the federal judiciary in carrying out its constitutional mission to provide equal justice under the law. The fiscal year (FY) 2022 request for the AO account totals \$100,342,000 to support staff and operating expenses at a current services level and program increases to: (1) expand the AO's new Office of Compliance and Risk, which will strengthen the AO's approach to analyzing and addressing enterprise-level risks; and (2) improve the AO's procurement and contract management processes.

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

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

The AO’s vision is to be the “best service organization and the best place to work in the federal government with an engaged, highly qualified, and diverse team.” The AO’s Strategic Direction communicates this vision, which, together with the AO’s mission and values, comprise the fundamental precepts guiding the AO’s programming and performance. The Strategic Direction reinforces the AO’s focus on enhancing services to the judiciary; strengthening relationships both within and outside the judiciary; sharing information more effectively; improving systems and processes; and developing and retaining a high-performing, diverse, and engaged workforce. The AO works at implementing its vision through measuring and responding to employee feedback. In November 2019, the AO conducted its third employee viewpoint survey, administered by the Office of Personnel Management. As was done for previous surveys (2015, 2017), an AO-wide Employee Engagement Task Force is assessing the results of the 2019 survey. Given the challenging COVID-19 operating environment and heightened awareness of racial fairness and justice issues, the scope of this assessment has been expanded to include more immediate AO actions that affect employee engagement and inclusion. This assessment will also inform a review and update of the AO’s Strategic Direction, scheduled for 2021, including the development and prioritization of specific goals to promote continuous improvement in the AO’s workplace.

A table of selected workload indicators for the AO follows:

Table 8.1 Selected AO Fiscal Year 2021 Projected Workload Indicators

Indicators	Number
Active and senior judges (Article III, bankruptcy, magistrate, and Court of Federal Claims)	2,439
Court staff (Appellate, district, bankruptcy, probation, and pretrial services) and public defender staff	28,763
Court units (Appellate, district, bankruptcy, probation and pretrial services)	359
Federal defender organizations (Districts)	91
Court facilities (GSA- and U. S. Postal Service-owned federal buildings and leased facilities)	788
Judicial Conference committees	25
Court appropriations and fees (Salaries and Expenses, Defender Services, Fees of Jurors, Court Security, and Judicial Retirement Funds)	\$7.9 billion

FY 2021 APPROPRIATIONS

The judiciary built the fiscal year (FY) 2022 budget request for the AO on the FY 2021 enacted appropriation, which is \$95,675,000. For bill language, the judiciary used the language from P.L. No. 116-260, Financial Services and General Government Appropriations Act, 2021.

SIGNIFICANT ISSUES

COVID-19 Response

Throughout the COVID-19 pandemic, the AO has supported the courts in discharging their constitutional mission of administering justice. In February 2020, the AO convened an interagency task force to monitor the pandemic's impact on judiciary operations, identify and address emerging issues, and coordinate the judiciary's pandemic-related guidance and resources as well as its legislative proposals. The COVID-19 Judiciary Task Force meets regularly and includes judges and staff across the judiciary, as well as representatives from the Department of Justice (DOJ), General Services Administration (GSA), U.S. Marshals Service (USMS), and Federal Protective Service (FPS). The AO strengthened its internal and external communications across multiple platforms, including videos, online guidance, public email broadcasts, and media outreach. The AO has advised the courts and the public on the status of court proceedings and operations and on the use of teleconferencing to provide the media and the public with electronic access to proceedings. To help each court assess its local risks and devise its response, the AO created an online clearinghouse for COVID-19 related guidance. The AO also coordinated the acquisition and distribution of 1.5 million face masks to judiciary personnel nationwide.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided \$7.5 million (\$6.0 million - Salaries and Expenses; \$1.0 million - Defender Services; \$0.5 million - Supreme Court) in emergency funding sought by the judiciary for immediate COVID-19 needs for increased probation and pretrial services drug testing and drug and mental health treatment costs, and expanding network capacity and telework capabilities. The AO worked with the courts and federal defender organizations to identify additional pandemic prevention, preparedness, and response requirements and submit supplemental funding requests to Congress.

The AO has supported development of legislative proposals designed to ensure that the judiciary can meet its constitutional mandate while protecting the health and safety of court personnel, litigants, and the public. These include proposals approved by the Judicial Conference to protect detainees in criminal cases and litigants during the COVID-19 crisis, including expediting compassionate release procedures under the First Step Act, reducing unnecessary pretrial detention of certain low-risk defendants, and allowing probation officers to focus on higher risk offenders instead of low-risk compassionate release offenders.

The COVID-19 Task Force Jury Subgroup coordinated by the AO developed and released to the courts and the public guidance for conducting jury trials and convening grand juries during the pandemic. Issues covered include personal protective equipment, juror travel, social distancing, and deep cleaning procedures. A jury working group developed recommendations on selecting and

summoning jurors once courts determine locally that it is safe to do so, designed to reduce the risks of virus transmission inside courthouses, jury assembly rooms, and courtrooms.

The AO has strengthened the judiciary's information technology (IT) infrastructure to support increased network requirements due to telework and audio streaming of court proceedings. During the peak of COVID-19 stay-at-home orders, the number of users simultaneously connecting with judiciary virtual private network (VPN) services jumped by 780 percent from a pre-pandemic daily average of 2,500, to 22,000. The AO provided guidance on the use of video and teleconference technology to provide the public and press access to criminal proceedings under the CARES Act and Federal Rule of Criminal Procedure 53.

Establishment of Office of Compliance and Risk

In FY 2020, the Director appointed a Compliance and Risk Officer to assess risks across the AO and to enhance the AO's response to recommendations from audits, internal control reviews, and other studies. These capabilities will be further improved in FY 2021 and FY 2022 with funding to build out an Office of Compliance and Risk (OCR) by hiring additional staff to focus on oversight and monitoring of the AO's implementation of corrective actions and to establish an enterprise-wide risk management program. The establishment of OCR will demonstrate the importance of compliance and risk management to the judiciary. Placing OCR at the executive level will enhance accountability and ensure oversight mechanisms are operating effectively.

Through its compliance mission, OCR will provide the Director and AO management with greater visibility into efforts to address internal control weaknesses and other audit recommendations. It will facilitate the AO's response to audit findings and recommendations that require coordination across departments and offices. At the request of the Director, OCR will perform management reviews of internal AO functional areas such as acquisitions, uses of funds, and grants management. Management reviews are short duration projects designed to evaluate the efficiency and effectiveness of a function's ability to meet the AO's goals.

The judiciary is also committed to improving risk management and plans to implement an enterprise risk management program for the AO. This initiative expands on existing activities to remediate audit findings and complements the multi-year Judiciary Data Integrity, Reporting, and Controls (JDIRC) program. (For more information on JDIRC, see the Salaries and Expenses chapter, page 4.28). The enterprise risk management program will be based on guidance from the Government Accountability Office (GAO) Green Book *Standards for Internal Control in the Federal Government* and other industry best practices. The goal is for the judiciary to manage enterprise risks in a manner similar to the executive and legislative branches while acknowledging the judiciary's unique culture and mission. Through this initiative, the judiciary will further strengthen its transparency and accountability with all stakeholders –

including Congress, the executive branch, persons interacting with the judiciary, and the public. Additional resources are required to reach this goal. The FY 2022 AO budget request includes a program increase to staff OCR with one additional position for a total of three staff.

Office of Judicial Integrity

Since its creation in January 2019, the AO's Office of Judicial Integrity (OJI) has provided current and former judiciary employees with confidential counseling and assistance in addressing wrongful workplace conduct such as sexual harassment, abusive conduct, discrimination, and retaliation. A website offers confidential and anonymous methods of reporting workplace misconduct and links to both the judiciary's codes of conduct and the Judiciary Model Employment Dispute Resolution (EDR) Plan. This office also serves as a resource for judges, court unit executives, human resources professionals, and employee dispute resolution (EDR) coordinators. EDR coordinators are located at each court and provide confidential advice to employees about workplace conduct matters and assist in processing employee claims under each court's EDR Plan. OJI has developed an online training and certification course for EDR coordinators. Additionally, the AO has encouraged circuits to hire a director of workplace relations (DWR) or functional equivalent to provide confidential guidance and assistance to employees within each circuit, assist in resolving workplace issues, and provide training on identifying and reporting workplace misconduct. OJI and the DWRs meet twice a month to share information and best practices on training and workplace relations.

Reporting Requirement. The explanatory statement accompanying the Financial Services and General Government Appropriations Act, 2021 (P.L. 116-260) adopts by reference language in House Report 116-456 under the AO appropriations heading requiring the judiciary "to include in their annual justification to Congress a report on the steps the Office of [Judicial] Integrity is taking to ensure it has enough resources and staff to provide an exemplary workplace for every judge and every court employee." The AO is confident that with the OJI, in conjunction with circuit DWRs and court EDR coordinators, the judiciary has enough resources and staff to provide an exemplary workplace for every judge and every court employee. A new Judicial Integrity Officer came on board in February 2021, and the staffing needs of the office will be determined in the next few months. Currently, the office is funded for up to three positions. DWRs are the primary workplace-misconduct resource for judicial branch employees. They are full-time employees, and most are attorneys with extensive employment law and workplace investigation experience. Salaries and Expenses account funding is allotted by the AO for DWRs through the circuits; 11 positions have been funded to date. Unlike the OJI, whose focus is counseling, guidance and referrals, DWRs are able to directly assist their courts, judges, and unit executives in resolving and redressing any employee workplace misconduct allegation. The OJI is in biweekly contact with all circuit DWRs to harmonize best practices, identify workplace trends and concerns, and assess training needs. In turn, every court has at least two EDR coordinators

who perform those functions in addition to their other job responsibilities – some have as many as five EDR coordinators, who work closely with their circuit DWR – to address these issues.

Diversity and Inclusion

The AO appointed a diversity and inclusion officer within its Office of Fair Employment Practices. The officer provides expert guidance to court units in measuring and monitoring diversity in the judiciary, assists in developing new programs to increase diversity, and facilitates training, speakers, and panel discussions to promote an inclusive work environment. The AO also expanded and enhanced the Model Intern Diversity Pilot Program, which funds internships in the courts designed to nurture interest in legal and other professional careers in the judiciary, develop future judicial workforce leaders by providing on-the-job learning, and provide students of various backgrounds with the opportunity to work directly with federal judges and court unit executives. Other diversity initiatives include: a symposium focused on bankruptcy judges; a Federal Defender Diversity Fellowship Program; and diversity and bias initiatives in the probation and pretrial services system focused on studying data for evidence of disparate treatment, examining national and local training, and evaluating procedures for reporting and responding to officer misconduct complaints.

Contractor Insourcing

The AO has continued its re-assessment of functions performed by AO contractors and has implemented several rounds of contractor insourcing, beginning in 2012 as part of the AO's cost-containment efforts. The goal of contractor insourcing is to improve project/program management by adjusting the ratio of federal employees to contractors and ensuring appropriate supervision of contract operations, as well as to reduce costs by replacing more expensive contractor positions with less expensive government staff.

Contractor insourcing has been implemented in successive rounds, with individual rounds sometimes occurring over the course of multiple fiscal years. The most recent round (the third since 2012) began in FY 2019, with insourcing the functions of 112 contractor positions over a three-year period. This third round is expected to be completed in FY 2021 and result in cumulative annual net savings of \$5.2 million in the Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses (S&E) account (savings accrue in S&E because the contractor services being replaced were funded by the S&E appropriation). A total of \$4.3 million in reductions to reflect these savings was included in the judiciary's FY 2019 and FY 2020 budget requests. A reduction of \$900,000 (to reflect the remaining savings) was included in the FY 2021 S&E appropriation request.

A fourth round of contractor insourcing is planned for implementation beginning in FY 2021. The functions of an additional 100 contractors will be insourced over a three-year period, one-third each year. The estimated total savings in the S&E account will be

\$6.2 million when the insourcing process is complete. Of that amount, \$500,000 in savings has been included in the FY 2022 S&E request. Remaining savings will be incorporated into future budget requests as the insourcing moves forward.

AO SUPPORT OF THE JUDICIARY

The AO supports numerous key national initiatives in the federal courts to strengthen accountability, improve the delivery of justice, increase efficiency, and reduce costs. Many of the initiatives and projects completed during FY 2020, or being implemented now, reflect the application of information technology solutions to court operations and systems enhancements to improve service. Cost containment continues to be a high priority of the judiciary, and AO staff supporting the Judicial Conference and its committees are heavily involved in these efforts. The AO's work to support the judiciary are summarized below.

Improving Onboarding of Judiciary Staff: The AO enhanced the judiciary's Human Resources Management Information System (HRMIS) Onboarding application to ensure appropriate management of user accounts and licenses. The Onboarding module was added in 2019 to modernize court onboarding processes and has significantly improved data integrity and streamlined the provision of IT services.

New Civil/Criminal Accounting Module Deployed in District Courts: With the support of an implementation team of AO and court staff, working virtually during the pandemic, all district courts have adopted the Judiciary Integrated Financial Management System's (JIFMS) new Civil/Criminal Accounting Module (CCAM). CCAM enables district courts to track the status of civil and criminal debt. District courts are now able to establish civil and criminal accounts; record receipt of funds; and apportion and disburse funds to payees.

Judges Hiring Law Clerks Virtually: During the COVID-19 outbreak, judges were able to continue law clerk recruitment activities without compromising the health of candidates or judiciary staff. Judges switched from paper-intensive and in-person hiring processes to web-based approaches: Online System for Clerkship Application and Review (OSCAR) for applications and Microsoft Teams or Skype for Business for interviews. The AO worked with the OSCAR Working Group and the Ad Hoc Committee on Law Clerk Hiring to provide online tools and law clerk hiring guidelines. The AO conducted capacity testing to ensure that the judiciary's network could handle the surge in online law clerk interviews alongside virtual court proceedings.

Expanding Employee Training and Development Opportunities: Online judiciary learning supported by the AO increased significantly this year. The most popular topics included writing, telework, workplace harassment, leadership, time management

programs, workforce planning, onboarding, leave tracking, and pandemic-related policy exceptions. The AO Writing Program held remote writing classes for judiciary employees nationwide, including chambers staff, probation officers, and AO staff.

Public Access to Court Electronic Records (PACER): The AO established and supports an Electronic Public Access (EPA) Public User Group to provide input on PACER development, implementation, enhancement, and related services. The AO launched a new, more user-friendly PACER website with a wide range of resources and information about PACER and EPA services, as well as easier access to PACER and PACER-related applications and improved search engine capabilities. With regard to fees, effective January 1, 2020, the Judicial Conference raised the PACER quarterly fee waiver threshold from \$15 to \$30, which results in more than 75 percent of users paying no fees in any given quarter.

PACTS 360 Initiative: In recent years, the IT applications supporting the probation and pretrial services system have had significant reliability and performance problems. More than 40 applications work together with the Probation and Pretrial Services Automated Case Tracking System (PACTS) to enable probation and pretrial services officers to perform their official duties. The AO coordinated the statement of requirements for and awarded a contract in April 2020 to develop the next generation software, PACTS 360.

Protecting Wellness in Probation and Pretrial Services Offices: The AO is addressing wellness concerns of probation and pretrial services officers in response to recent reports of increased stress from work/life events, including the COVID-19 pandemic. Due to the unique nature of their work, probation and pretrial service officers encounter highly stressful situations in often unsafe environments. The AO established a website with wellness resources for probation and pretrial services staff and managers.

Measures to Improve Judges' Security: In response to the tragic attack on U.S. District Judge Esther Salas' family, the Executive Committee of the Judicial Conference approved actions to improve judges' physical security. The AO is working with Congress and the judiciary's security partners, USMS and FPS, to implement measures and resources to better ensure judges' safety and security.

Strengthening Cybersecurity: During 2020, the AO supported efforts to strengthen the judiciary's defenses against widespread institutional cyberattacks. For example, phishing cyberattacks are carefully crafted emails that try to trick users into disclosing sensitive information, clicking on illegitimate links, or opening infected attachments that harm their computer or network. Sophisticated phishing attacks that target multiple court units and appear to come from trusted sources are becoming more common. The AO updated policy to require judiciary-wide implementation of nationally supported, layered IT solutions by March 31, 2022. To protect IT assets across the judiciary, these solutions provide tools that perform: (1) periodic vulnerability scanning and patch management for timely identification and remediation of system weaknesses; (2) centralized logging of all security-relevant events; (3) web-based threat protection to protect judiciary users from interacting with known malicious websites; (4) endpoint protection to

prevent malware and malicious intrusion; and (5) consistent administration of judiciary-issued mobile devices. Use of these tools and configuring them to send data for centralized analysis improves the judiciary's overall cybersecurity posture. The data helps the AO's Security Operations Center (SOC) combat single-court and multi-court attacks and prevent their spread to other judiciary entities.

Courthouse Construction Projects: The AO continues to manage and support the 11 courthouse construction projects on the Federal Judiciary Courthouse Project Priorities list that were fully funded in FY 2016 and 2018. These include courthouses in Nashville, TN; Toledo, OH; Charlotte, NC; Des Moines, IA; Greenville, SC; Anniston, AL; Savannah, GA; San Antonio, TX; Harrisburg, PA; Huntsville, AL; and Fort Lauderdale, FL. Additional funds were appropriated to GSA in FY 2016 to build a new courthouse in Greenville, MS, and to acquire a courthouse in Rutland, VT. AO staff has been working with judges, court and circuit staff, and GSA on executing the remaining projects that are in various stages of completion.

Migration to New Email and Office Productivity Software: The judiciary completed its transition to the Microsoft platform. All active user email and calendar data were migrated to Outlook in 2019, and the AO is working with court units to decommission Lotus Notes. This initiative commenced in 2016 and required coordination by the AO and local IT staff nationwide. Microsoft Office 365 is one of the first national applications to be stood up in the Microsoft Government Community Cloud.

JUSTIFICATION OF CHANGES

The Administrative Office appropriation request for FY 2022 totals \$100,342,000. This represents an increase of \$4,667,000, or 4.9 percent, over the FY 2021 enacted appropriation of \$95,675,000. The FY 2022 budget request includes funds needed to maintain current services and program increases to expand the new Office of Compliance and Risk, as well as increase staff to improve procurement and contract management practices.

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

A. PERSONNEL

Pay and Benefit Adjustments

1. Proposed January 2022 pay adjustment

Requested Increase: \$773,000

The judiciary is assuming federal pay rates will increase by 1.0 percent in January 2022. The requested increase provides for the cost of nine months of the anticipated pay adjustment in FY 2022, from January 2022 to September 2022. (If the pay adjustment included in the President's FY 2022 budget request is different from this 1.0 percent guidance, the judiciary will revise this line item in its FY 2022 budget re-estimate.)

2. Annualization of January 2021 pay adjustment

Requested Increase: \$206,000

The requested increase provides for the annualized costs of the 2021 pay adjustment for the Employment Cost Index (ECI). Based on the FY 2021 enacted appropriation, federal pay rates increased by 1.0 percent, effective as of January 2021. The requested increase provides for the cost of three months (from October 2021 to December 2021) of the 2021 pay increase in FY 2022.

3. Promotions and within-grade increases

Requested Increase: \$782,000

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

4. Benefits increases

a. Health benefits

Requested Increase: \$176,000

Based on information from the Office of Personnel Management, agency health benefit premium contributions are projected increase by an average of 3.0 percent both in January 2021 and January 2022. The requested increase annualizes the 2021

premium increase and includes a nine-month provision for an estimated 3.0 percent increase anticipated for FY 2022.

b. FICA adjustment

Requested Increase: \$103,000

Based on information from the Social Security Administration, employer contributions to the Old Age, Survivor, and Disability Insurance (OASDI) portion of the FICA tax will increase in 2021. The salary cap for OASDI increased from \$137,700 to \$142,800 in January 2021. The requested amount is needed to pay the agency contribution in FY 2022.

c. FERS adjustment

Requested Increase: \$926,000

Consistent with guidance from the Office of Management and Budget, funds are requested for an increase in the agency contribution rate to Federal Employee Retirement System (FERS) plans for FY 2022. For most employees, the agency contribution rate will increase from 17.3 percent to 18.4 percent. Any FERS increase is in accordance with revised estimates of the cost of providing benefits by the Board of Actuaries of the Civil Service Retirement and Disability System.

B. OTHER ADJUSTMENTS

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

Requested Increase: \$167,000

Consistent with guidance from the Office of Management and Budget, the requested increase is required to fund inflationary adjustments of 2.0 percent for operating expenses such as travel, communications, printing, contractual services, supplies and materials, and furniture and equipment.

6. Decrease in requirements to maintain FY 2021 service levels due to anticipated increase in non-appropriated funds

Requested Decrease: (\$469,000)

In addition to appropriations from Congress, the judiciary relies on other funding sources to finance its requirements. These non-appropriated funds include current year fee collections and carryforward of fee balances from the prior year. The use of these funds allows the AO appropriations request to be reduced on a dollar-for-dollar basis. The AO FY 2022 appropriation request of \$100,342,000 reflects a projected availability of \$19.7 million in non-appropriated funds. The FY 2021 obligation level assumes new fee collections and prior-year carryforward from FY 2020 totaling \$19.2 million. The AO request for appropriated funds for FY 2022 therefore includes a decrease of \$0.5 million to reflect the increase in these non-appropriated

funds to maintain the same level of services as provided in FY 2021. The judiciary’s estimates for non-appropriated funds typically fluctuate during the fiscal year. AO staff will update the appropriations subcommittee staff on changes in non-appropriated funding levels.

7. Annualization of New Positions Requested in FY 2021

a. Procurement Reform

Requested Increase: \$1,092,000 FTE: 6.5

This request supports the annualization of 13 new procurement reform positions (6.5 FTE) funded in FY 2021. The amount of \$1,092,000 represents a six-month annualization cost.

b. Office of Compliance and Risk

Requested Increase: \$97,000 FTE: 0.5

This request supports the annualization of one position (0.5 FTE) funded in FY 2021 to support the Office of Compliance and Risk. The amount of \$97,000 represents a six-month annualization cost.

c. AO Internal Control Self-Assessment Training

Requested Increase: \$111,000 FTE: 0.5

This request supports the annualization of one new AO self-assessment training position (0.5 FTE) funded in FY 2021. The amount of \$111,000 represents a six-month annualization cost.

PROGRAM INCREASES

8. Office of Compliance and Risk

Requested Increase: \$100,000 FTE: 0.5

The AO established a Compliance and Risk Officer in FY 2020 to assess risk across the agency and remediate critical findings from audits and reviews. A second position for this office was funded in FY 2021 to focus on the oversight and monitoring of corrective actions. For FY 2022, a third position is requested to focus on the risk management functions of the office through establishment of an enterprise risk management program based on GAO standards and industry best practices. One additional support position (0.5 FTE) at a first-year cost of \$100,000 for salaries, benefits, and expenses is requested.

9. Procurement and Contract Management Improvements

Requested Increase: \$603,000 FTE: 3

The AO continually seeks to improve its procurement and contract management processes. These efforts have taken the form of multiple initiatives aimed at moving the judiciary towards a greater reliance on performance-based contracts, improving the training and support for contracting officer representatives (CORs), improving the requirements-

development processes, and improving invoicing. These and other procurement and contract management improvement initiatives are all aimed at obtaining the best value for the government in every contract. Current staffing resources are not adequate to fully support the implementation of these important initiatives. A total of 6 new positions (3 FTE) at a first-year cost of \$603,000 is requested to address these needs.

The procurement and contract management improvements requested for FY 2022 have three major components. First, the AO is committed to continuing improvements to the training and support of CORs. Contracting officer representatives are individuals authorized by a contracting officer to perform critical contract management and oversight duties. The AO has over 175 current or potential CORs. To ensure the CORs are adequately trained and supported in each program area, two additional positions (1 FTE) are requested.

Second, the AO is committed to improve its requirements gathering and pre-award functions for complex contracts. This is the essential first step in the development of every contract. Program offices often require support from subject matter experts during the development of requirements for highly complex contracts. To ensure program offices receive this support, two additional positions (1 FTE) are requested.

Third, the AO is also committed to improve its invoicing processes. Accurate and timely invoicing is a key business process in contract management and essential to effective use of government funds. For large and complex contracts, invoicing is

equally complex and requires significant time and expertise. To ensure adequate staffing is available to manage invoicing for the most complex contracts, two additional positions (1 FTE) are requested.

FINANCING THE FISCAL YEAR 2022 REQUEST

Estimated Fiscal Year 2022 Fee Collections

Estimated Funds Available: \$11,824,000

The judiciary has authority to collect fees for various services such as bankruptcy filing, civil filing, bankruptcy noticing, and registry administration. These fees are used to reimburse judiciary appropriations and are available without fiscal year limitation. The judiciary estimates that \$11.8 million of new fee collections will be available to offset the AO's FY 2022 budget request. The judiciary will advise appropriations subcommittee staffs of any changes to this estimate.

Estimated fee carryforward from Fiscal Year 2021 into Fiscal Year 2022

Estimated funds available: \$7,895,000

In addition to receiving a portion of new fee collections, the AO account also receives a portion of the fee balances carried over from prior years. This request reflects funds from existing carryforward balances in the judiciary fee accounts that the judiciary estimates will be available to offset the AO's FY 2022

budget request. The judiciary will advise appropriations subcommittee staffs of any changes to this estimate.

Reimbursable Programs

Funds Available: \$123,931,000 FTE: 690

Requested Increase: \$5,930,000

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

The request for the AO reimbursable programs includes funding for 690 FTEs from the Salaries and Expenses (547 FTEs), Defender Services (48 FTEs), and Court Security (10 FTEs) appropriations under the Courts of Appeals, District Courts, and Other Judicial Services heading, as well as 85 FTEs reimbursed from Electronic Public Access fees. These positions are necessary to maintain a sufficient AO reimbursable staffing level to fulfill core court and defender support responsibilities, oversee the court security program, and continue to develop, implement, and support automated systems and technologies in the courts. These systems include network and telephone systems; case

management/electronic case files systems that support appellate, district, and bankruptcy courts and probation and pretrial services offices; and financial management systems that ensure sound financial practices and internal controls.

The FY 2022 obligation level requested for the AO's reimbursable program totals \$123,931,000, a net increase of \$5,930,000 from the projected FY 2021 obligation level of \$118,001,000.

The FY 2022 request includes \$3,132,000 in net adjustments to base for inflationary increases in salaries, benefits, and other expenses. The FY 2022 request also includes eight additional FTE and \$1,508,000 to support the annualization of 15 positions for implementation of the Judiciary Data Integrity, Reporting, and Controls (JDIRC) program in the courts' Salaries and Expenses account. (For more information on JDIRC, see the Salaries and Expenses chapter, page 4.28)

Within the Defender Services account, the FY 2022 request includes \$599,000 for the annualization of eight new positions (4 FTE) included in the FY 2021 budget request; and an FY 2022 program increase of \$691,000 for an additional eight positions (4 FTE). The total increase of 16 reimbursable positions over two years includes staffing to support: defender data management; program review/assessment; staffing formula development; eVoucher system development; interagency support; and new workshops, seminars, and webinars to meet the increasing

attorney training workload. This increase is further explained in the Defender Services chapter on page 5.29.

Contractor Insourcing

Requested Increase: \$6,812,000 FTE: 40

As explained above (page 8.13), the AO plans to both complete the third round of contractor insourcing and begin a fourth round of contractor insourcing in FY 2021. The requested increase of \$6,812,000 includes the annualization of insourcing 32 contractor positions during FY 2021, and the first-year cost of insourcing 33 contractor positions during FY 2022.