

2000 Annual Report

North Carolina Courts:



*Working together for
our families and our future*



The North Carolina Judicial Branch

Working together for our families and our future: 2000 Annual Report

This report highlights Judicial Branch activities during calendar year 2000 and includes statistical and financial data from fiscal year 1999-00. In addition, the Administrative Office of the Courts publishes a comprehensive annual *Statistical and Operational Supplement to the Annual Report of the Judicial Branch of Government*. This report can be obtained by contacting the Administrative Office of the Courts at 919-733-7107.

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Message from the Chief Justice and AOC Director

Dear friend of the court:

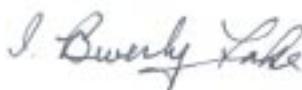
As the new chief justice of the Supreme Court and the new director of the Administrative Office of the Courts, we are pleased to present the 2000 Annual Report of the North Carolina Judicial Branch. This report describes the North Carolina Judicial Branch, highlights major accomplishments during the past year and outlines challenges for the future.

At the beginning of 2000, our court system was still reeling from the devastating effects of Hurricane Floyd and was facing a significant funding crisis. A hiring slowdown was in place and court officials throughout the state were being asked to do more with less. Thanks to the hard work and sacrifices of these officials, the year ended on a much more positive note. The hiring slowdown was lifted and the General Assembly came forward with much needed funds. Over the course of the year, some significant goals were met in improving court technology, serving citizens and families and streamlining the administrative operations of the courts. These accomplishments are outlined in this report.

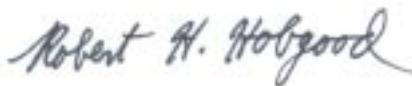
As we begin 2001, our courts again face serious challenges. The unmet needs of the Judicial Branch continue to grow at a time when the state faces serious revenue shortfalls. Over the next year, we will work closely with our legislators to make sure that the legitimate needs of the Judicial Branch are understood and addressed. At the same time, we will do our best to make sure that the resources we do have are used as efficiently and effectively as possible. To this end, all of us in the Judicial Branch must work together to find new and innovative ways to improve our courts and make them more responsive and accountable to our citizens.

We look forward to the year ahead and appreciate your interest in the North Carolina Judicial Branch.

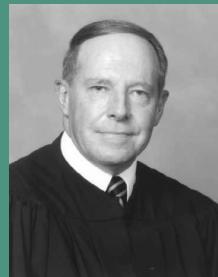
Sincerely,



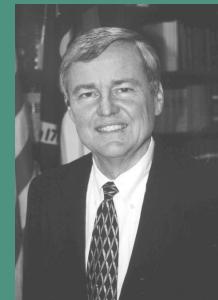
I. Beverly Lake, Jr., Chief Justice
N.C. Supreme Court



Robert H. Hobgood, Director
Administrative Office of the Courts



I. Beverly Lake, Jr.
Chief Justice
N.C. Supreme Court



Robert H. Hobgood
Director, Administrative
Office of the Courts

The North Carolina Judicial Branch is a separate and co-ordinate branch of state government. North Carolina has a unified court characterized by standard policies and procedures, state funding for all court officials and prosecutors, a uniform fee structure, and a separate statewide administrative arm. The Judicial Branch employs over 5,400 employees, covering all 100 North Carolina counties, and administers a total budget in excess of \$360 million. Following is a very brief overview of the courts and other components of the Judicial Branch.

The North Carolina court system is a general court of justice consisting of an appellate division and two trial divisions: the Superior Court and the District Court.

Appellate Division

■ **Supreme Court:** The seven-member Supreme Court is the state's highest court and decides questions of law in civil and criminal cases on appeal or upon discretionary review of the Court of Appeals. The Supreme Court has the power to control and supervise the proceedings of other courts and has the authority to set court schedules and promulgate rules of practice and procedure for the trial courts. The voters elect the chief justice and the six associate justices of the Supreme Court for eight-year terms.

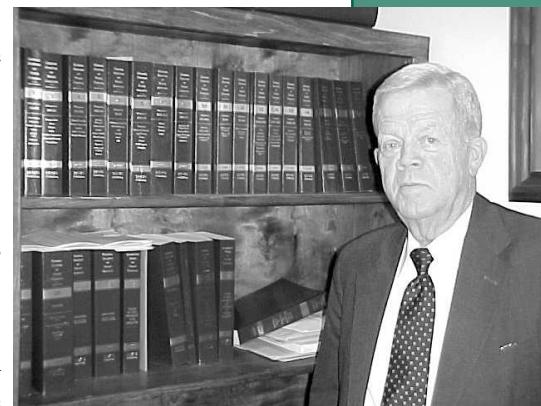


■ **Court of Appeals:** The 15-judge Court of Appeals is North Carolina's intermediate appellate court and hears appeals from the state's trial courts, from the Industrial Commission, and from final orders and decisions of certain administrative agencies. The voters elect the judges on the Court of Appeals for eight-year terms, and the chief justice appoints the chief judge from among the members.

Trial Divisions

■ **Superior Court Division:** The Superior Court has jurisdiction over the most serious criminal cases (felonies) and civil cases (over \$10,000). Superior Court is held in the county seat of each of North Carolina's 100 counties and in other locations. For administrative purposes, the counties are grouped into 46 judicial districts; each with a senior resident Superior Court judge who exercises administrative supervision authority. These districts are further grouped into eight judicial divisions (effective Jan. 1, 2000), and Superior Court judges rotate among the counties in their division. There are 91 resident Superior Court judges each elected by the voters for an eight-year term. In addition, there are 14 special Superior Court judges, appointed by the governor, who hold court as needed throughout the state. One of these special Superior Court judges is designated the Business Court judge. Complex business cases are assigned to the Business Court.

◆ **Clerks of Superior Court:** The clerk of Superior Court is a judicial officer of the Superior Court division. The clerk exercises the judicial power of the state in the probate of wills, administration of estates, and the handling of special proceedings such as adoptions and foreclosures. Clerks are also the official custodians of the records of the courts in their counties and are responsible for receiving, investing and disbursing all funds paid into or through the court. There is a clerk for each of North Carolina's 100 counties, all elected for four-year terms.



■ **District Court Division:** District Court has jurisdiction over preliminary matters in felony cases and over the trial of all misdemeanors and infractions. In civil cases, it is the proper court for all actions involving \$10,000 or less. It has exclusive jurisdiction over all juvenile proceedings, mental health hospital commitments and domestic relations cases. There is a District Court in each of the state's 100 counties. For administrative purposes, District Courts are organized into 39 statewide districts; each with a chief District Court judge who exercises administrative supervision authority. Currently, there are 235 District Court judges in North Carolina, each elected by the voters for a four-year term.

◆ **Magistrates:** The magistrate is a judicial officer of the District Court division. In criminal cases, magistrates issue arrest and search war-

rants, conduct initial appearances, and determine conditions of pretrial release. For some crimes they may accept guilty pleas, impose punishment and even conduct trials. In civil cases, they preside over the trial of small claims (\$4,000 or less).



One or more magistrates are appointed in each county as officers of the court. Candidates are nominated by the clerk of Superior Court; appointed by the senior resident Superior Court judge; and supervised by the chief District Court

judge. There are 719 authorized magistrates in North Carolina.

The North Carolina Judicial Branch (continued)

Other Major Court Components

■ **District Attorneys:** District attorneys represent the state in all criminal actions brought in Superior and District Court and all juvenile delinquency cases



in which the juvenile is represented by an attorney. The district attorney is also responsible for calendaring criminal cases for trial. The state is divided into 39 prosecutorial districts, and the voters of each district elect the district attorney for a four-year term. In addition, each district attorney may hire assistant district attorneys as provided by statute. There are 39 elected district attorneys and 438 assistant district attorneys authorized throughout North Carolina.

■ **Public Defenders and Other Representation for Indigent Persons:** The state provides legal counsel in a variety of actions and proceedings for defendants who have been determined by a judge to be financially unable to hire their own attorneys. There are 11 public defenders and 121 assistant public defenders representing indigent persons in 13 counties. Public defenders are appointed by the senior resident Superior Court judge for four-year terms and may employ assistants as authorized by the Administrative Office of the Courts and funded by the General Assembly. In the remaining counties, representation is provided by private attorneys appointed by the judge or the clerk. There is also an Appellate Defender Office to handle criminal defense services for indigent persons who appeal convictions to the Supreme Court or the Court of Appeals.

■ **Trial Court Administrators:**

These administrators assist in managing the day-to-day administrative operations of the trial courts. Their responsibilities include civil case calendaring, jury utilization, and establishing and managing local court rules. There are currently 12 trial court administrators, serving 14 of the state's 46 Superior Court districts.

Trial court administrators are appointed by the senior resident Superior Court judge and work for both the Superior and District Courts.



■Administrative Office of the Courts: The Administrative Office of the Courts (AOC) is the administrative arm of the Judicial Branch. The AOC provides statewide support services for the courts, including information, technology, personnel, financial, legal, research and purchasing services. In addition, the AOC prepares and administers the court system's over \$360 million budget and employs more than 400 people. The director of the AOC is appointed by the chief justice but has independent statutory responsibility for the administration of the court system. The assistant director is also appointed by the chief justice and serves as the administrative assistant to the chief justice.



■Judicial Branch Commissions: The Judicial Branch has three commissions.

- ◆ **Judicial Standards Commission:** This seven-member Commission is the appropriate agency for the investigation of complaints “concerning the qualifications of any justice or judge of the General Court of Justice.” The Commission was created by the General Assembly in 1972 pursuant to a constitutional amendment approved by the voters.
- ◆ **Sentencing and Policy Advisory Commission:** This 28-member Commission is responsible for developing recommendations regarding the appropriate sentencing of felons and misdemeanants in North Carolina. The Commission also monitors sentencing practices in the state, publishes annual statistical data and projects state prison and jail populations. The Commission was created by the General Assembly in 1990.
- ◆ **Chief Justice’s Commission on Professionalism:** This 16-member Commission’s mandate is to encourage professionalism within the practice of law in North Carolina and to raise the public’s perception of the court system. The North Carolina Supreme Court created the Commission in 1998.

■State Judicial Council: The 17-member State Judicial Council studies the operations of the judicial system and makes recommendations including, but not limited to, budget preparation and funding priorities, judicial officials’ benefits and compensation, the creation of judgeships, the development of court performance standards, alternative dispute resolution and issues related to changing boundaries of the judicial districts or divisions. The four subcommittees of the State Judicial Council are Salaries and Benefits, Alternative Dispute Resolution, Public Trust, and Court Performance Standards.

During the past year, the North Carolina Judicial Branch has focused on providing better services to families and citizens, increasing understanding of the courts, improving court operations, and seeking ways to utilize new technology to provide better services to the citizens of North Carolina.

Serving Families and Citizens:

The North Carolina Judicial Branch has placed increased emphasis on serving children, families, victims, and other citizens in need across the state. Following are some of the major highlights and accomplishments in this area.

■ **Family Courts:** The 1998 legislation establishing the Office of Juvenile Justice included authorization for the AOC to experiment with unified family courts. In

Major Highlights and Accomplishments

2000, Family Court pilot programs were established in Districts 5,

6A, 8, 12, and 25. With three districts setting up programs in 1999, there are currently eight districts in which these courts operate. Family Courts coordinate all case management and service agency efforts for a single family in distress to

better serve that family and provide more consistent, efficient use of trial court time. Each contested divorce or juvenile matter is assigned to one judge for all court action. Non-trial means of resolving the case, such as mediation, are used to settle these disputes before resorting to an adversarial trial.



■ **Drug Treatment Courts:** Programs were operational in eight counties during 2000. In addition, Durham implemented the Youth Treatment Court, a

juvenile drug treatment court, in November 2000. Drug Courts are an innovative court-based intervention wherein the judge, prosecutor, defense attorney, probation officer, community policing officer and the treatment case manager work together in a non-adversarial fashion to help ensure that chemically dependent offenders receive appropriate treatment and are held strictly accountable for their behavior while in the program. Offenders participate for a minimum of one year and typically appear before a specially trained judge on a biweekly basis. The judge closely monitors the participant's progress and may order sanctions and/or rewards as appropriate to promote success.

■ **Custody Mediation:** As of June 30, 2000, 55 counties in 28 districts had a custody and visitation mediation program. The program provides parties who have unresolved issues about custody or visitation with a non-adversarial alternative to litigation. Custody mediation helps the parents step back from their own conflict and focus on the best interests of their children. In most cases, parents are required to participate in this program before proceeding through the traditional court system. The mediators selected are highly skilled and must meet rigid training and experience requirements. Through this program, many parents are able to reach mutual agreement regarding the structure and parameters of child custody without returning to the court system.

Court-Ordered Arbitration: As of June 30, 2000, arbitration programs were operating in 33 Superior Court districts covering 69 counties. In these counties, all civil cases involving claims totaling \$15,000 or less are subject to court-ordered, nonbinding arbitration. As a rule, arbitration hearings are limited to one hour, take place in the courthouse, and are conducted by a trained and approved attorney arbitrator who is either appointed by the court or selected by the parties. In many cases, the arbitrator's award becomes the final settlement, without the need for a trial.



Mediated Settlement Conferences: In 1995, the General Assembly authorized a statewide program of mediated settlement conferences for Superior Court civil cases. In some districts, the senior resident Superior Court judge refers all eligible cases to mediated settlement, while in other districts, certain case types are exempted. Mediators facilitate settlement discussions between litigating parties in an effort to help them arrive at mutually agreeable solutions to their disputes. As of June 2000, nearly 900 mediators were certified in North Carolina to conduct mediated settlement conferences. In addition, about 53 percent of mediated cases were settled through conferences during fiscal year 1999-00.

Adoption Acceleration Project: This project encourages collaboration between child welfare agencies and the court system to facilitate timely adoptions or other permanent living situations for children in foster care. The case managers focus on cases of abused, neglected, and dependent children in foster care whose cases have been pending in court for more than a year. The project operates in Alamance and Guilford counties.

Guardian ad Litem: The mission of the program is to provide independent advocates to represent and promote the best interests of abused, neglected or dependent children in court and to work towards a services system that ensures that these children are in a safe permanent home. During fiscal year 1999-00, the program provided representation to 15,364 children through 3,503 volunteers and 99 attorneys. The program continued its efforts to recruit, supervise and train additional volunteers. The training coordinator was able to increase training capacity through development of a work book for one-on-one training. Both the corporate recruiter and the volunteer recruiter have been involved in expanding capacity by tapping into new markets for volunteers.



Fillable Forms on the Web: In 2000, AOC took efforts to make the forms on the AOC web site more useful to the public by providing several fillable forms using the PDF format. The necessary software is available as a free download from Adobe through a link posted on the AOC web site. Currently, there are 402 forms available on the AOC web site, and 93 of them are fillable.

Major Highlights and Accomplishments (continued)

Increasing Understanding of the Courts

The North Carolina Judicial Branch made efforts to bridge the information gap between the public and the courts system. The following are some highlights in this area.

■ **Chief Justice's Media and the Courts Forum:** The Chief Justice's Media and the Courts Forum was created to open a dialogue between the court system and the media. This 40-member forum consists of representatives from the working press as well as their top management, judges, magistrates, clerks of court and other judicial members, attorneys and professors. The goal of the forum is to help make court information as accessible as possible to the press while ensuring that the right to a fair trial is maintained for both prosecuting witnesses and defendants.



■ **New Publications:** The AOC began an eight-page monthly employee newsletter to help inform court employees on new programs, new top managers and other changes. The newsletter, called *A Brief Recess*, includes a photo spread which each month focuses on a county courthouse or an AOC division. In addition to numerous press releases, updating the Judicial System handbook, designing the annual report and division brochures, the public information office also developed a quick reference statistical card.

Improving Court Operations

During the year, the North Carolina Judicial Branch continued to search for ways to improve court operations and to make them more efficient and more effective. Following are some of the accomplishments and highlights in this area.

■ **AOC Reorganization:** As of Aug. 1, 2000, the AOC was reorganized into six divisions to replace the four that previously existed. The new divisions include Human Resources, Purchasing Services, Financial Services, Technology Services, Court Services, and Legal and Legislative Services. The Director's Office includes the Public Information Office, General Counsel and the Office of the Senior Deputy Director. The Senior Deputy Director oversees the Guardian ad Litem program, the Sentencing Services program, and research, planning, grants, and budget development.

■ **Commission for Indigent Defense Services:** This thirteen-member Commission was created by the Indigent Defense Services Act of 2000. This Commission and its staff, the Office of Indigent Defense Services, are located within the Judicial Branch but exercise their prescribed powers independently from the AOC. The Commission and the Indigent Defense Services director are responsible for establishing, supervising, and maintaining a system for providing legal representation and related services in all cases where indigent persons are entitled to representation at state expense.

■ **Foreign Lanuage Interpreter Project:** In response to the growing number of non-English speakers in North Carolina, the AOC secured grant funds to enhance access to the courts for non-English speakers, with an emphasis on the Spanish-speaking population.

Some program accomplishments for 2000 include the creation of a foreign language advisory committee, hiring of a project coordinator and joining the National Center for State Courts' Consortium for State Court Interpreters. In addition, the Program offered seminars on court interpretation to over 300 individuals, trained and tested 56 court interpreters, and published statewide guidelines on interpreter use and performance. The Program also translated and distributed three criminal forms, eight domestic violence forms, two English-to-Spanish glossaries for clerks and magistrates, and a brochure and a summary card on the criminal court process.



■ **Sentencing Services:** Sentencing Services is a unique partnership with the AOC, a network of not-for-profit agencies and county operated programs. These programs work closely with the bench to develop sentencing plans that more effectively use available treatments and correctional resources in criminal cases.



All programs across the state use the initial screening instruments for offenders: the *Level of Service Inventory-Revised (LSI-R)* and the *Adult Substance Use Survey (ASUS)*. These research-derived assessment instruments evaluate the risk of failure under community supervision and the level of intervention needed to improve a probationer's opportunity to lead a law-abiding life. In 2000, Sentencing Services also developed and implemented a web site containing information about the Office of Sentencing Services and the local programs. In addition, an upgraded version of *Profiler*, Sentencing Services' client-record data management system, was successfully implemented this year.

■ **Creation of Judicial Branch Education Study Committee:** This 28-member committee was created to evaluate the organization and content of statewide judicial education programs and to make recommendations regarding the improvement of such programs. The committee will examine issues such as the purpose of judicial education, the effectiveness of existing programs, and the resources available for judicial education.

Utilizing Technology

Following the lead of the private sector, the Judicial Branch continued to seek ways to utilize new technologies to improve court processes and to provide better service to the citizens of North Carolina. Following are some of the accomplishments and highlights in this area:



■ Strategic Information System and Technology

Plan: In 1999, the GartnerGroup, the world's leading authority on information technology, completed a strategic plan for modernizing the court system and improving its technology and information systems over the next five years. During the past year, the GartnerGroup conducted a progress review on the Judicial Branch's efforts to implement the plan and concluded that the "The AOC has made a quantum leap forward in the last year and now must sustain the momentum."

■ Creation of the Court Technology Advisory Committee:

This 20-member committee was formed at the recommendation of the GartnerGroup to help the AOC determine the best use of information technology resources for the Judicial Branch. The Advisory Committee is made up of members from both within and outside the Judicial Branch.

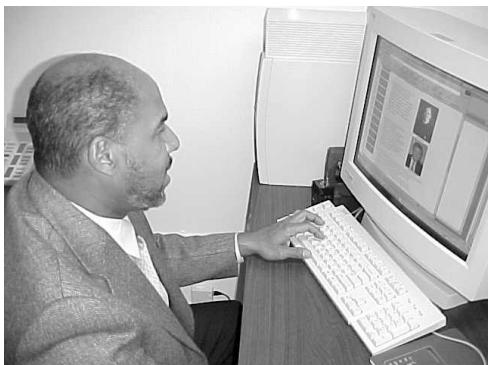
■ CourtFlow: By the end of the year, this computerized case management system was operational in courts in 98 counties. With 58 counties implemented in 1999, there are only two counties remaining without the CourtFlow application. The system automates criminal Superior Court proceedings, produces forms ready for signature by the judges, and interfaces with the court's main criminal information computer system. The program results in many significant efficiency benefits for the court system.

■ Magistrate System: During 2000, 43 additional counties implemented this system, bringing the total to 63 counties. Magistrates in these counties were trained to use the system which automates the warrant process. This system automates many manual processes, speeds up record reporting, and will enable law en-



forcement to be quickly notified when there are outstanding warrants on a criminal offender. This project is an integral part of the state's Criminal Justice Information Network project.

■ **Web Page:** The AOC contracted with the state Information



and Technology Services to re-design a new web site. When completed, the design will make retrieving court information easier and faster. The web site will be geared to the public and will include relevant information about the court system and answers to frequently asked questions (i.e.: jury duty, directions to courthouses, etc.).

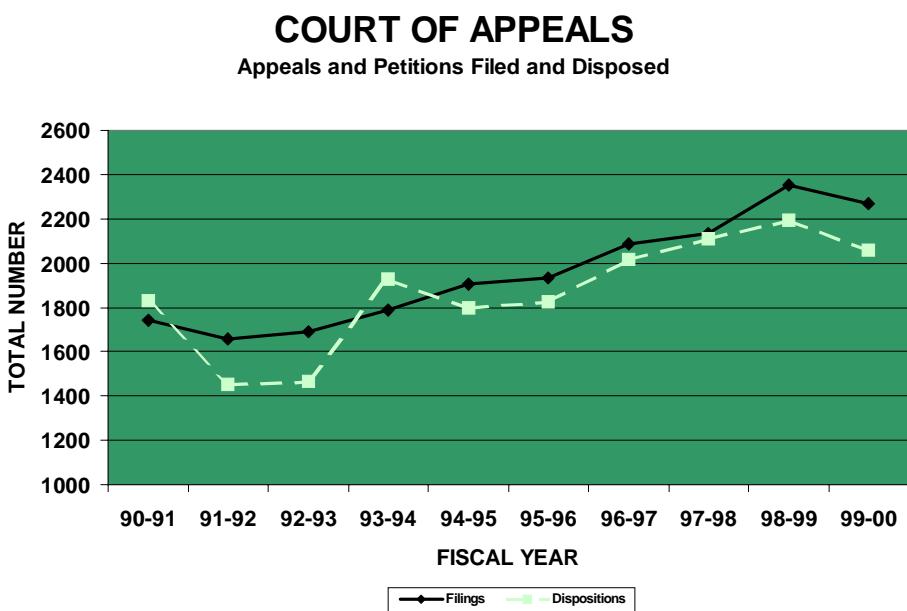
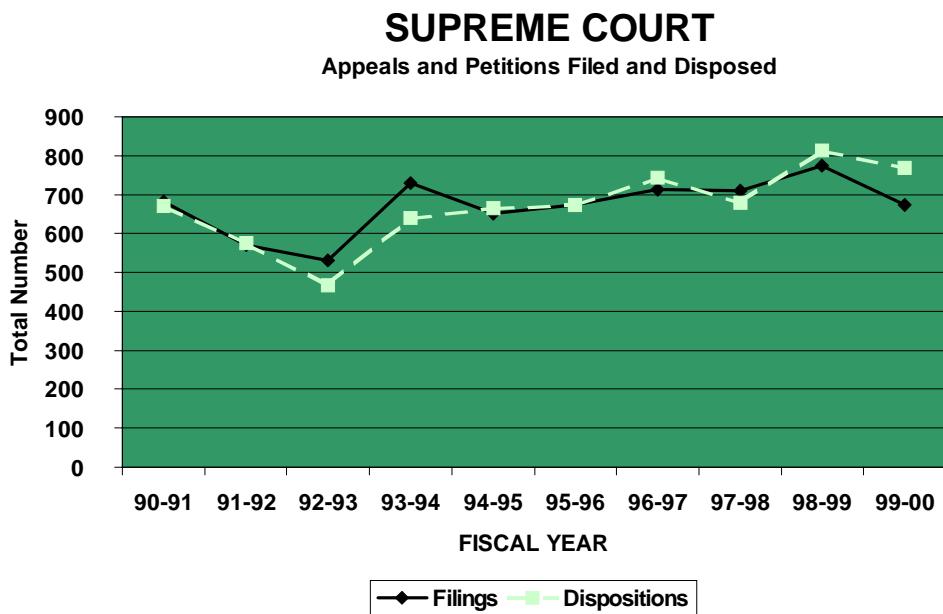
■ **Set-Off Debt Collection:** This system provides an interface from the AOC Civil System to the N. C. Department of Revenue to facilitate the repayment of attorney fees by indigent defendants who are owed state income tax refunds. During 2000, Phases II and III of the system were implemented and a net of just over \$2 million was collected for repayment to the Judicial Branch.

■ **Bond Forfeiture Tracking:** This system records order, party, judgment, service and execution information for bond forfeitures. This system is operational in all 100 counties. Due to statutory revisions in the summer of 2000, the entire system was revised between July and December 2000. Furthermore, the system was upgraded in 50 counties to provide additional capabilities such as the generation of notice and execution forms.

■ **Child Support System:** The AOC Support Enforcement System and its interfaces with the child support collection system of the Department of Health and Human Services were modified to streamline the exchange of data, improve research and meet reporting requirements.

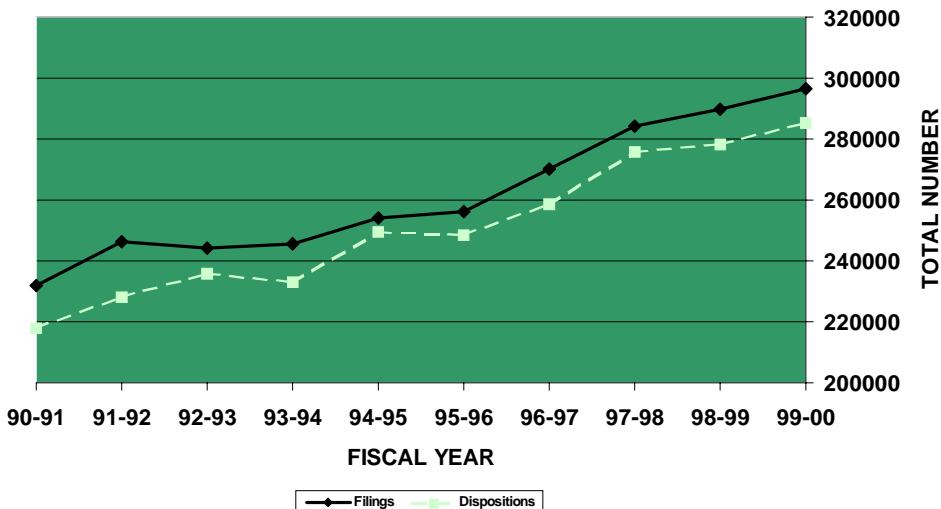
Statistical Workload Highlights

As has been the trend, the work demands on the North Carolina Judicial Branch continue to increase. As shown in the following tables, both filings and dispositions have increased over the past 10 years.



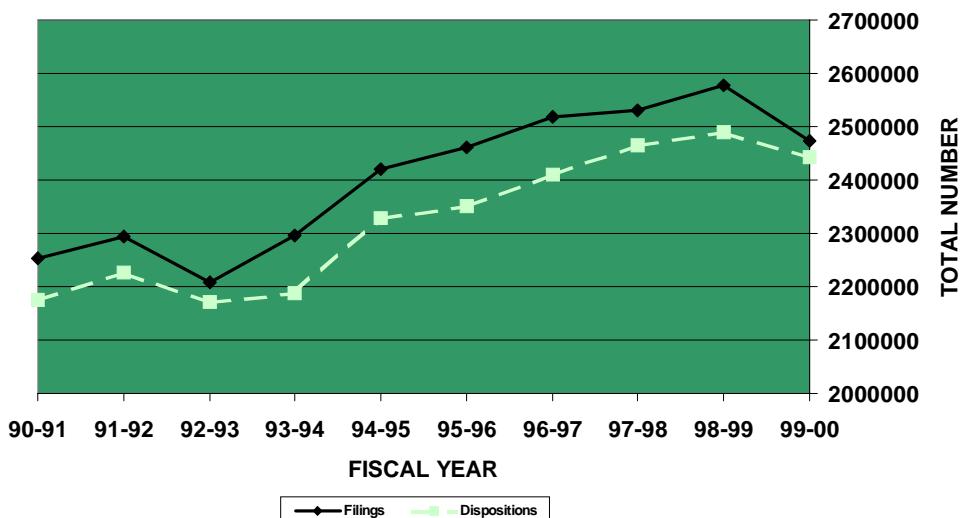
SUPERIOR COURT

Criminal, Civil, Estates, and Special Proceedings Filed and Disposed



DISTRICT COURT

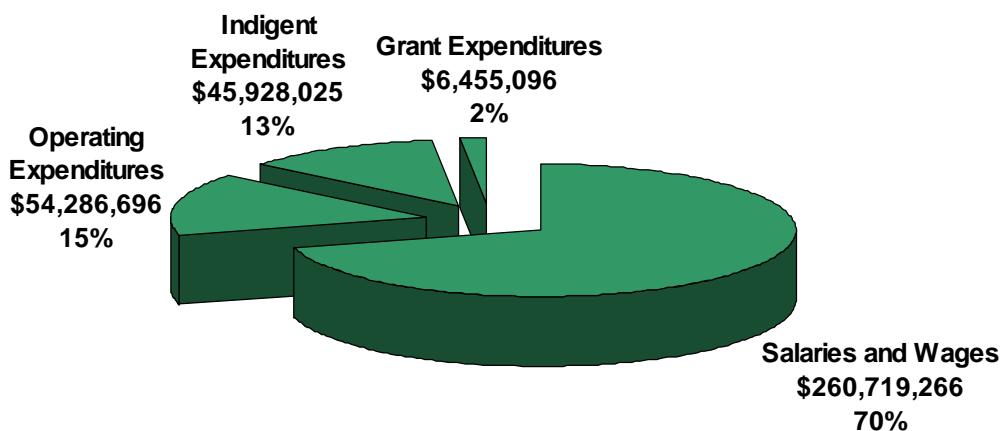
Criminal, Civil, and Infractions Filed and Disposed



Financial Highlights

The North Carolina Judicial Branch budget represents less than 3 percent of the total state budget. The following chart shows major court budget expenditures for FY 99-00, and the accompanying table shows the expenditures in specific program areas.

1999-2000 Judicial Branch Actual Expenditures



1999-2000 Judicial Branch Expenditures

Court Component	Expenditures	Percent of total
AOC	\$24,616,632	6.70%
Supreme Ct/Ct of Appeals	\$8,909,255	2.43%
Superior Court	\$28,619,374	7.79%
District Court	\$59,796,352	16.28%
Clerk of Superior Court	\$94,946,574	25.84%
Family Court	\$901,109	0.25%
District Attorney	\$52,202,263	14.21%
Special Programs	\$6,630,779	1.80%
Sentencing Services	\$5,944,470	1.62%
Equipment/Supply	\$5,742,305	1.56%
Indigent	\$45,928,025	12.50%
Public Defender	\$12,260,820	3.34%
Special Counsel	\$512,718	0.14%
Guardian Ad Litem	\$6,854,418	1.87%
Grant Expenditures	\$6,455,096	1.76%
Appellate Defender	\$1,068,893	0.29%
State Bar	\$2,250,000	0.61%
Grand Total	\$367,389,083	100%

The following are some of the major themes that will need to be addressed in the near future.

■ **Funding:** The Judicial Branch has and will likely continue to struggle with chronic underfunding. Today, the Judicial Branch receives less than 3 percent of the entire state budget, and this percentage has been declining through most of the last decade. Given the state's current tight budget situation, it is unlikely that significant relief will be forthcoming from the General Assembly in the near future. This means that the court system must continue to search for ways to improve operations and control costs without jeopardizing the quality of justice or the level of service to the public.

Challenges for the Future

■ **Performance Standards:**

One way of measuring and improving the efficiency of our court system is through the development and achievement of agreed upon performance standards for court operations. These standards may cover such areas as court security, convenience, responsiveness, courtesy, timeliness, fairness, etc. The Performance Standards Committee of the State Judicial Council has been charged with development and implementation of such standards in close consultation with our judges, prosecutors, public defenders, clerks and magistrates.

■ **Alternative Dispute Resolution:** As the state's population continues to grow, there are more and more demands placed on our court system. The establishment of alternative dispute resolution programs offers a way to help manage this demand. These programs may involve mediation (a mediator works to bring about a mutual resolution of the dispute) or arbitration (an arbitrator listens to the parties and makes a non-binding decision). Both of these approaches take place outside of the formal court process, thus freeing up valuable court resources. The Alternative Dispute Resolution Committee of the State Judicial Council has been given the responsibility to monitor and coordinate these burgeoning programs.

■ **Salaries and Benefits:** In recent years it has become increasingly difficult to attract and retain qualified court officials and employees because the compensation provided is often not competitive with the private sector. The Salaries and Benefits Committee of the State Judicial Council has been charged with developing a long-term strategy for raising the level of pay and benefits, so we can assure a top level workforce for the future.

■ **Public Trust:** Recent surveys of public attitudes toward the courts indicate that many of our citizens do not have positive impressions of the Judicial Branch. While much of this appears to stem from a lack of knowledge or understanding of how our courts work, there remains an underlying perception that our system of justice does not treat all people alike. The Public Trust Committee of the State Judicial Council has been charged with finding and implementing ways to improve our citizen's trust and confidence in the courts through external and internal education programs.

■ **Technology:** The technological advances of the past decade have resulted in increased levels of customer service and convenience in the private sector. Citizens are now demanding similar services from government. Although the Judicial Branch has made significant strides in providing information through the Internet (forms on-line, courthouse maps, etc.) there is still much that needs to be done to provide services through the Internet (electronic filing, on-line payment, etc.). A primary goal of the Judicial Branch continues to be the building of a statewide technology infrastructure that will enable it to offer web-based services to the public, improving the internal efficiency of the courts.



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