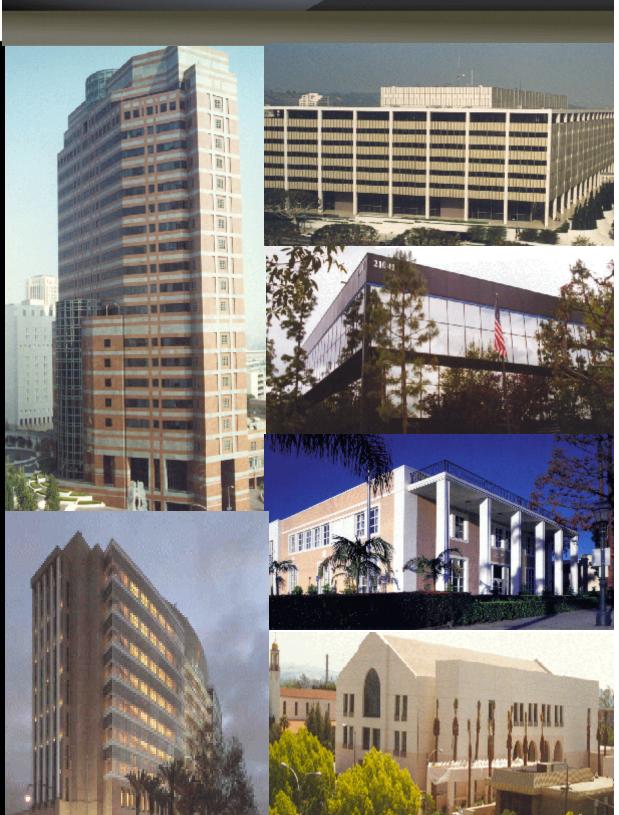


# UNITED STATES BANKRUPTCY COURT Central District of California

# 1 9 9

CANUAL REPORT



Honorable Geraldine Mund Chief Judge

Jon D. Ceretto
Executive Officer/Clerk of Court



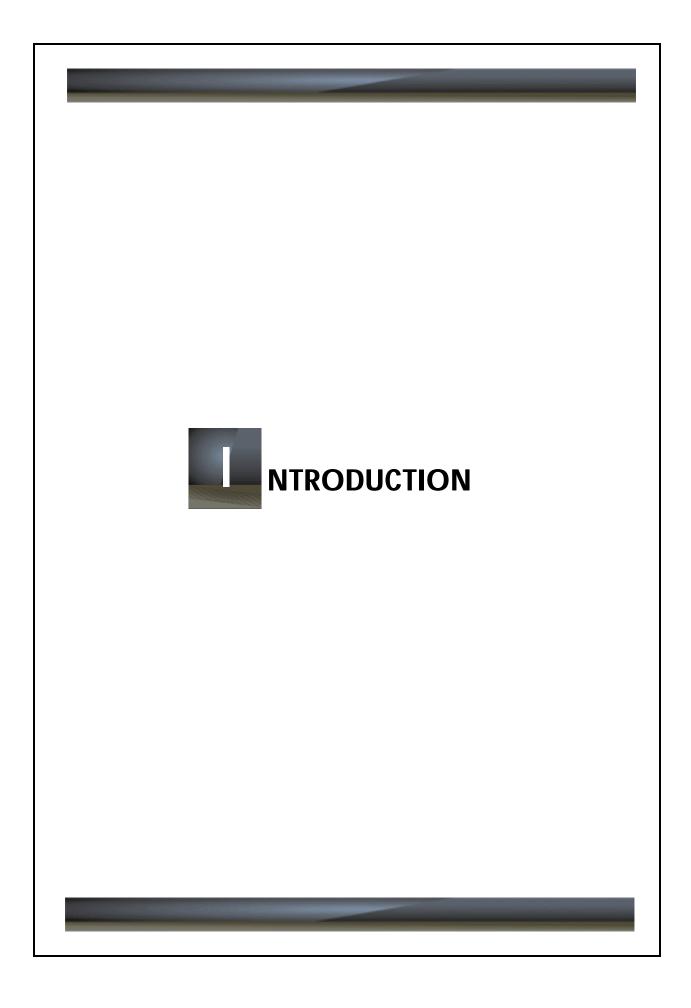
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Leveraging improvements in the Court's technology and organizational infrastructure, major enhancements continued in the areas of customer service and the administration of the Court's caseload. Notable achievements in 1999 include:

#### ! Online Case Files Become Available District-Wide

With the introduction of document imaging in the Santa Ana and Riverside Divisions, online case files became available to the public at all Court divisions. Online case files allow the public to view and/or print electronic copies of case documents 24 hours a day, 7 days a week from any computer utilizing a standard Internet browser. Demonstrating strong public acceptance of the availability of online case files, webPACER usage increased to record levels in 1999. [See page 17]

#### ! All Divisions Equipped With Video Hearing Technology

The use of courtroom video hearing technology expanded during 1999 to include the Northern Division, completing a project to provide video access for judicial proceedings in all divisions of the Court. Video technology affords the district greater flexibility in managing its caseload, since cases can be assigned amongst divisions based on workload rather than geography. Video broadcasting and other innovative applications of video technology also were introduced during the year. [See page 40]

#### ! Near Record Number of Bankruptcy Cases Filed in 1999

With 101,472 bankruptcy cases filed during 1999, the district recorded the fourth consecutive year in which over 100,000 cases were filed. While the number of bankruptcy cases filed declined 15.5% from the record 120,063 bankruptcy cases filed in 1998, the 1999 caseload represents a remarkable 89% increase over the number of cases filed just 10 years ago. [See page 45]

#### Major Reduction in Caseload Accomplished

The Court's pending caseload was reduced to 51,741 bankruptcy cases by December 1999, a reduction of 15% from the 61,090 cases pending at the beginning of the year. The caseload was reduced a remarkable 50% from the high of 103,207 cases pending in 1992. This reduction occurred in spite of the 101,472 cases filed in 1999, the fourth highest in the Court's history. [See page 45]

#### • Chief Judge Receives Honor

The San Fernando Valley Bar Association recognized Chief Judge Geraldine Mund's longstanding contributions to the legal community by honoring her as the 1999 "Judge of the Year." [See page 9]

#### Santa Ana Division Relocates to New Quarters

On January 19, 1999, the Santa Ana Division opened its doors to the public in the newly completed Ronald Reagan Federal Building and United States Courthouse. The move to the new building accomplished the Long Range Plan objective to upgrade all Bankruptcy Court facilities in the Central District. [See page 27]

#### Court Successfully Completes Y2K Upgrades

By August 1999, the software applications used in the management, cashiering, and calendaring of the district's bankruptcy cases were brought into Year 2000 (Y2K) compliance. Other Court software also was reviewed and upgraded to Y2K specifications during the year. Following testing, computers that were not Y2K compliant were replaced throughout the Court. [See page 39]

#### Santa Ana Becomes Third Division to Offer Pro Bono Program

The Santa Ana Division introduced a *pro bono* program in cooperation with attorneys in Orange County. Santa Ana becomes the third division to offer a *pro bono* program following the introduction of programs in the Los Angeles and San Fernando Valley Divisions in 1997. [See page 10]

#### Train-the-Trainer Comes to Los Angeles

In an effort to improve the training skills of trainers throughout the district, the Court piloted a program that was previously only available at the Administrative Office's Technical Training and Support Division (AO-TTSD) in San Antonio, Texas. For this program, an AO-TTSD Training Specialist was brought to the Court to conduct a week-long workshop for 16 Court staff, resulting in substantial cost savings by reducing travel expenses. [See page 35]

#### • Excellent Docketing Performance Becomes Standard

In 1999, the Clerk's Office docketed 98% of all items (excluding automated entries) within two days of filing. This compares with 96% in 1998 and 59% in August 1995 when this type of tracking began. [See page 46]

#### Court Recognized for Innovation and Charitable Contributions

The Los Angeles Federal Executive Board acknowledged the Court with two awards: a team award for the Court's innovative integration of imaging and webPACER into existing operations and a second award for outstanding contributions to the Combined Federal Campaign, a charitable contribution program sponsored by the federal government. [See page 50]

#### Court Develops Orientation Program

The Court developed and implemented an orientation program for newly hired personnel. New employees are provided with a one-day overview of the Court, employee benefits, and office policies and procedures. In addition to the improved communication of information to the employees, the program results in more timely and efficient processing of paperwork related to the newly hired staff. [See page 30]

#### Mediation Program Continues to Assist the Court and Litigants

The Bankruptcy Mediation Program, thought to be the largest program of its type in the nation, continued to thrive. During 1999, a revised general order was approved that modified various aspects of the Program. [See page 12]

#### Judicial Workload Equalization Program (JWEP) Continued

As part of a program designed to equalize judicial workloads within the Ninth Circuit, the district continued to assign cases to designated judges from other districts within the Circuit. In 1999, 200 adversary proceedings were assigned from the Riverside Division to judges in Oregon. [See page 16]

#### • Emergency Reference Guide and Evacuation Kit Distributed to all Divisions

The Clerk's Office developed an emergency evacuation kit to improve management's ability to respond quickly and effectively in emergency situations. Distributed to all Deputies-in-Charge, the kit features an *Emergency Reference Guide*, a cellular telephone, and other materials necessary for providing skeletal services. [See page 29]

#### Public Continues Appreciation of Customer Service

As measured by the Court's Customer Service Questionnaire, 92% of the respondents rated the overall service of the Court as excellent. [See page 21]



The mission of the United States Bankruptcy Court for the Central District of California is to serve the public by:

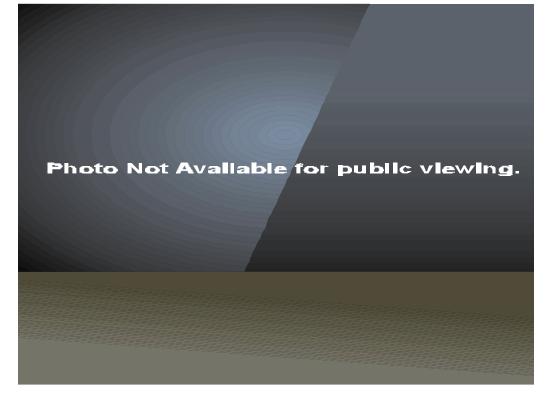
- ! Resolving matters referred to the Court in a just, efficient, and timely manner
- ! Supplying prompt and accurate information
- ! Responding fairly and courteously to the needs of the entire community
- ! Providing leadership in the administration of justice in the bankruptcy system

In fulfilling our mission, the Court recognizes the importance of:

- ! Demonstrating respect for the dramatic impact that bankruptcy has on the lives of our customers
- ! Instilling confidence in the competence, impartiality, and ethics of the entire Court



he Bankruptcy Judges of the Central District of California

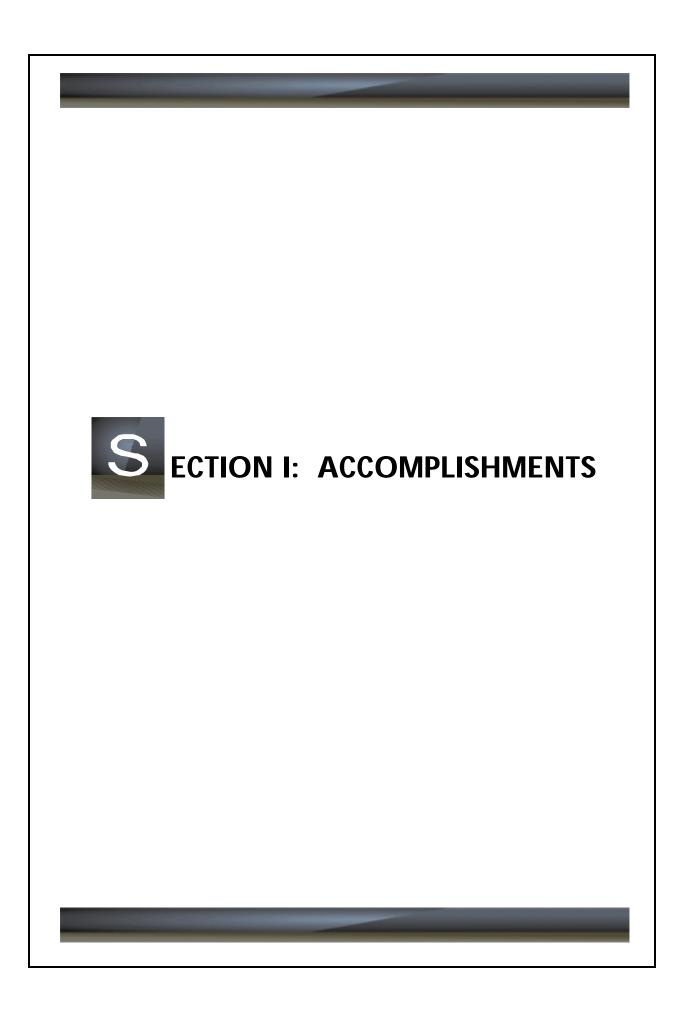


From Top to Bottom, Each Row Left to Right: John J. Wilson (Retired), John E. Ryan, Vincent P. Zurzolo, James N. Barr, Arthur M. Greenwald, David N. Naugle, Alan M. Ahart, Thomas B. Donovan, Lisa Hill Fenning, Robin Riblet, Erithe A. Smith, Robert W. Alberts, Mitchel R. Goldberg, Samuel L. Bufford, Geraldine Mund (Chief Judge), Ernest M. Robles, Lynne Riddle, Calvin K. Ashland (Deceased), Kathleen March, Barry Russell, Kathleen T. Lax

Photo not available for public viewing.

Ellen Carroll and Meredith Jury

Photo not available for public viewing.





#### **Judicial Committees**

The judicial committees address Court-related issues and consist of bankruptcy judges and management staff from the Clerk's Office. These committees are responsible for implementing Court policy and providing feedback regarding Court operations, facilities, and administrative issues. During 1999, the standing judicial committees were

- ! Executive Committee
- ! Case Management Committee
- ! Chapter 13 Committee
- ! Education and Training Committee
- ! Pro Se Committee
- ! Rules Committee
- ! United States Trustee Liaison Committee

The task force/ad hoc committees were

- ! Alternative Dispute Resolution Committee
- ! Bankruptcy Foreclosure Scam Task Force
- ! Long Range Plan Committee

#### Honorable Geraldine Mund Reappointed Chief Judge

The Honorable Geraldine Mund was reappointed in December 1999 by the District Court to a second three-year term as Chief Bankruptcy Judge of the Central District of California. Chief Judge Mund's new term commenced January 1, 2000.

#### Honorable Barry Russell Selected to Preside Over Bankruptcy Appellate Panel

The Honorable Barry Russell was chosen by the Ninth Circuit Council as the presiding judge of the Ninth Circuit Bankruptcy Appellate Panel (BAP) for a term commencing September 1, 1999, and ending December 31, 2001. Judge Russell has served on the BAP since 1988.

#### Honorable Lisa Hill Fenning Reappointed

Effective December 2, 1999, the Ninth Circuit Court of Appeals reappointed the Honorable Lisa Hill Fenning to a second 14-year term as a bankruptcy judge for the Central District of California. Judge Fenning, who maintains her chambers in Los Angeles, initially was appointed to serve as a bankruptcy judge in 1985.

Photo not available for public viewing.

Chief Judge
Geraldine Mund
administers the
oath of office to
Judge Lisa Hill Fenning

#### **Judges Receive Honors**

Chief Bankruptcy Judge Geraldine Mund was honored by the San Fernando Valley Bar Association (SFVBA) as their 1999 "Judge of the Year." The SFVBA recognized Judge Mund's longstanding contributions to the legal community, especially citing her commitment to making the Bankruptcy Court an integral part of the local community. The SFVBA "Judge of the Year" award is presented to judges who demonstrate superior judicial qualities and involvement with the community and the local bar associations.

In January 1999, the Honorable Arthur M. Greenwald and the Honorable Kathleen T. Lax were selected as Outstanding Bankruptcy

Photo not available for public viewing.

Congressman Brad Sherman presents Chief Judge Mund with a flag flown over the U.S. Congress. This was the San Fernando Valley Bar Association's first presentation to a federal judge.

Judges for 1998 by *Turnarounds & Workouts*, a bankruptcy-related publication. Judge Greenwald was chosen for his stewardship over the Sizzler International bankruptcy case and the innovative procedures he implemented to streamline tort claims. Judge Lax was selected for her consistently pragmatic and efficient approach to law, her decisiveness on key issues, her organizational skills, and her responsiveness to requests for information.

The Honorable James N. Barr was presented with the Harmon G. Scoville Award by the Orange County Bar Association. This prestigious annual award recognizes a member of the Orange County legal community who has exemplified the highest standards of the legal profession, made significant contributions to the Orange County Bar Association, and championed our constitutional system of justice.

#### **Pro Bono Program Expanded**

With one of the highest percentages of pro se debtors of any district in the United States, the Court, through the cooperation of local bar associations, assists many of these debtors with pro bono programs in its Los Angeles, Santa Ana, and San Fernando Valley Divisions. Through the *pro* bono programs, volunteer attornevs provide legal assistance to ensure that pro se debtors fully understand their legal



rights before the Court approves their requests for reaffirmation agreements. The Los Angeles and San Fernando Valley Divisions jointly participate in a *pro bono* program sponsored by the Los Angeles County Bar Association and Public Counsel that also provides free legal assistance with §523 dischargeability adversary proceedings and the filing of Chapter 7 petitions.

Patterned after the successful program initiated by the Los Angeles and San Fernando Valley Divisions in 1998 through the Debtor Assistance Project, the Santa Ana Division developed a similar program for *pro se* debtors in conjunction with the Orange Country Bar Association and the Orange County Bankruptcy Forum in November 1999. In addition to the benefits afforded to the *pro se* debtors, the Court also benefits from a reduction in the overall time required to hear these matters.

During 1999, the Debtor Assistance Project in the Los Angeles and San Fernando Valley Divisions matched qualified debtors in 100 non-dischargeability matters with *pro bono* attorneys, made reaffirmation agreement counseling available to 758 individuals, and assisted hundreds of qualified *pro se* debtors in preparing and

filing voluntary Chapter 7 petitions. In its first two months of operation, the Santa Ana Division *Pro Bono* Program made legal counseling available to 50 *pro se* debtors at reaffirmation agreement hearings.

CENTRAL DISTRICT OF CALIFORNIA <i>PRO BONO</i> PROGRAMS: 1999					
Division	Date Program Introduced	Debtors Provided with Dischargeability Assistance	Debtors Offered Reaffirmation Agreement Assistance	Debtors <i>Provided</i> Reaffirmation Agreement Assistance	
Los Angeles and San Fernando Valley Divisions	10/97	100	758	440	
Santa Ana Division	11/99	N/A	50	33	
Total		100	808	473	

The *Pro Bono* Program is also featured prominently on the Court's web site, which includes public notices regarding the Program, educational materials on reaffirmation agreements for *pro se* debtors in both English and Spanish, and training and sign-up materials for attorneys interested in volunteering under the Program. The training materials include a brief overview of bankruptcy law and procedure and the issues that might arise when representing low income Chapter 7 debtors. Since its inception, over 200 attorneys have volunteered their services under the Program.

#### Policy Established for Law-Related Use of Court Facilities

The Honorable James N. Barr and the Honorable Kathleen March participated in an *ad hoc* committee of District Court, Magistrate, and Bankruptcy Judges that drafted a joint District/Bankruptcy Court policy for lending court facilities for law-related uses. This policy, which was approved by both the District and Bankruptcy Courts, provides guidelines for the use of court facilities by federal agencies, bar associations, and law schools. Payment of all additional expenses resulting from the use of Court facilities, including utilities and overtime for building security, must be reimbursed to the providing agency under this policy.

#### **Bankruptcy Mediation Program Assists the Court and Litigants**

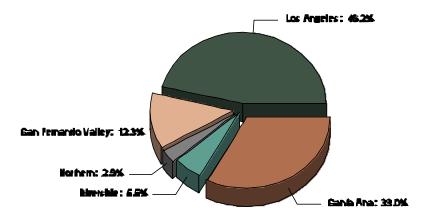
The Court's Alternative Dispute Resolution (ADR) Program, established July 1, 1995 and known as the Bankruptcy Mediation Program, is believed to be the largest program of its type in the nation. Through mediation, parties can resolve their disputes more quickly, at less cost, and often without the stress and pressure associated with litigation. Mediators are appointed by the Court and consist of both attorneys and non-attorneys.

In August 1999, the United States District and Bankruptcy Courts for the Central District of California approved Second Amended General Order No. 95-01, which will be incorporated into the Bankruptcy Court's Local Rules. The Second Amended General Order substantially modifies the provisions concerning confidentiality, specifically, the effect of a recorded and written settlement agreement. Additionally, some matters are eligible for the Program that formerly had been excluded. The amended general order also contains new provisions that allow for mediator compensation and clarify the procedural responsibilities of the attorneys, parties, and mediators. Another change is that the term served by mediators was extended from one to three years. The official Court forms have been modified to streamline the operation of the Mediation Program.

Of the 1,710 matters assigned to the Mediation Program in the Central District through 1999, 1,549 were concluded and 161 remained pending. Of the 1,549 completed matters, 982 (63%) were settled and 567 (37%) were not settled. Matters not settled resume litigation and are decided by a bankruptcy judge. The charts on the following page display the matters assigned to the Mediation Program by Chapter, as well as the distribution of mediation matters within the various divisions of the Court.

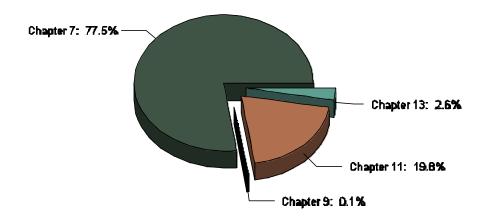
#### Distribution of Central District Mediation Matters

(August 1995 - December 1999)



#### Matters Assigned to Mediation Program by Chapter

(August 1995 - December 1999)



Parties and attorneys who attended mediation conferences are sent a comprehensive questionnaire designed to monitor their perceptions of the Mediation Program. As of December 31, 1999, 4,071 questionnaires were mailed to parties and 1,607 (approximately 40%) completed questionnaires were returned. Data from respondents expressing opinions on a variety of questions is provided in the following table:

Mediation Program Participant Satisfaction Survey as of December 31, 1999				
Satisfied with the mediation process.	83%			
Would reuse the mediation program.	92%			
Thought a fair settlement was reached.	87%			
Believed mediator was effective in encouraging clients to engage in a meaningful discussion of the matter.	84%			
Believed the mediator was effective in getting the attorneys to engage in meaningful discussion of the matter.	85%			

# Court Coordinates United States Agency for International Development (USAID) Program

The Court hosted six Romanian bankruptcy judges and a representative from the Romanian Ministry of Justice in March 1999. Sponsored by the United States Agency for International Development (USAID) and coordinated by the Honorable Samuel L. Bufford, the program provided the visitors with an overview of the bankruptcy process in the United States to assist them in their efforts to draft and administer Romanian bankruptcy law. The Romanian judges toured the Clerk's Office and the Office of the United States Trustee, and attended a §341(a) meeting of creditors. The Romanian judges were then paired with bankruptcy judges from the Central District to review case documents in preparation for hearings and to experience how hearings are conducted. Professor Kenneth Klee of the University of California, Los Angeles, provided an overview of the Chapter 11 bankruptcy process for the Romanian judges. Additionally, several meetings were held to introduce the Romanian judges to members of the local bar.



**Romanian Judges Visit the Court** 

#### **Clerk of Court Advises Romanian Bankruptcy Courts**

In February 1999, Jon D. Ceretto. Executive Officer/Clerk, participated in a United States Agency for International Development (USAID) program to improve the administration of the bankruptcy system in Romania. Mr. Ceretto began his visit to Romania by conducting fact-finding visits to several of their courts to assess the



Executive Officer/Clerk Jon D. Ceretto with Romanian Seminar Participants

feasibility of automating some of their bankruptcy operations. At a two-day seminar on case administration, Mr. Ceretto provided a presentation on useful case administration techniques to thirty judges and court clerks. Using an off-the-shelf software program, Mr. Ceretto assisted a group in developing a noticing program to replace handwritten notices.

#### **Judicial Workload Equalization Program Continues in 1999**

The Court continued to participate in the Judicial Workload Equalization Program (JWEP). Initiated in 1996, the JWEP was designed to help equalize judicial workloads within the Ninth Circuit through the intra-circuit assignment of cases. In 1999, the Honorable Randall Dunn and the Honorable Elizabeth Perris, bankruptcy judges from Oregon, were each assigned 100 adversaries from the Riverside Division that met guidelines established by the Ninth Circuit. The selected adversaries were set for status conferences and heard via teleconferencing and video conferencing. The 100 adversaries assigned in 1998 to the Honorable Frank Alley, bankruptcy judge from Eugene, Oregon, were concluded by July 1999.

#### **Visiting Judge Program Continues in Northern Division**

The Northern Division continued its Visiting Judge Program for a third year. Bankruptcy judges participating in the Program included: the Honorable Richard T. Ford, a recalled bankruptcy judge from the Eastern District of California; the Honorable Donal D. Sullivan from the District of Oregon; and the Honorable Samuel J. Steiner, a bankruptcy judge from the Western District of Washington. The judges heard a variety of matters including adversary trials, motions for relief from the automatic stay, and law and motion calendars from the Honorable Robin Riblet's caseload.



# ustomer Service

#### Online Case Files Become Available in All Five Divisions

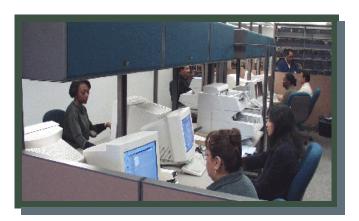
With the commencement of imaging in the Santa Ana and Riverside Divisions in 1999, online case files became available to the public in all five divisions of the Court. This 24-hour, 7-day a week access to electronic images of bankruptcy case documents is a major advancement in customer service and fulfills one of the priorities set forth in the Court's Long Range Plan.

"This is the most efficient court I deal with and the personnel are always courteous and helpful."

Customer Service Response

Online case files can be accessed by attorneys and the public from their offices or homes using a modem without having to come to the court. The online case file system also affords faster access to case documents and simultaneous review by multiple-users.

Integrated into the Court's existing case management system, online case file automation uses high-speed imaging equipment to image case file documents. The use of separator pages with bar codes allows for batch imaging of case documents and the linking of those images to appropriate case docket entries. A quality control process is performed to ensure the clarity of the image and its link to the correct docket entry before making it available



Imaging and quality control of case documents



Public viewing online case files on computer terminals in the Records Section of the Los Angeles Division

to the public. In addition to the improved customer service, the availability of online case files reduced the number of requests to pull the paper case files by more than 50%.

The Court provides online case files through the electronic imaging (scanning) of the bankruptcy case documents most requested by the public. Using webPACER, the public can view online case files by first viewing the case docket and then, if the document is available, clicking on the docket entry to view an image of the corresponding document. Documents in high-profile cases have also been imaged to improve public access to these often requested case files. Case files with a high risk of document tampering are also imaged. The following table shows the availability of online case file documents in each division:

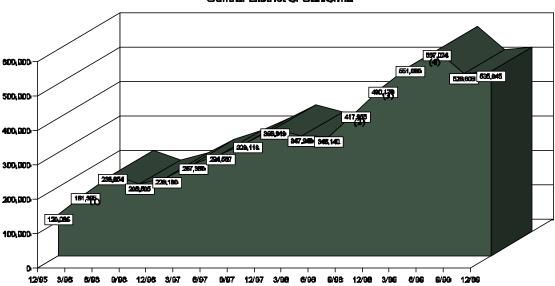
ONLINE CASE FILE AVAILABILITY					
	First File Date of Imaged Documents				
Division	Petitions, Schedules, and Chapter 13 Plans	Chapter 11 Plans	Signed Orders	Orders Generated by BNC*	
Los Angeles	5/19/98	5/3/99	8/3/98	6/1/99	
Riverside	5/17/99	6/1/99	6/1/99	1/31/00	
Santa Ana	4/6/99	8/16/99	8/16/99	12/1/99	
Northern	4/17/98	5/3/99	9/14/98	9/10/98	
San Fernando Valley	10/1/98	5/3/99	11/2/98	1/11/99	

<sup>\*</sup>Includes discharge and dismissal orders generated by the Bankruptcy Noticing Center (BNC)

#### Online Case Files Result in Record PACER Usage

The availability of online case files throughout the Central District resulted in record PACER usage during 1999. The 2,212,807 minutes of PACER usage in 1999 represents an extraordinary 38% increase over the 1,602,222 minutes of PACER usage reported in 1998. The increase in PACER usage can be attributed to the increased public acceptance of online case files since they were first made available in the Los Angeles, Northern, and San Fernando Valley Divisions in 1998, and in the Santa Ana and Riverside Divisions in 1999. In response to the record volume of webPACER usage, dial-in access to the Court's webPACER system was doubled at the end of 1999 to accommodate the growing number of users. This change, along with the elimination of inter-divisional access, improved the overall efficiency and speed with which webPACER responded to requests for information, resulting in a decrease in the minutes of usage in the third quarter of 1999. PACER usage in the Central District in 1999 generated over \$1.3 million in revenue for the judiciary.

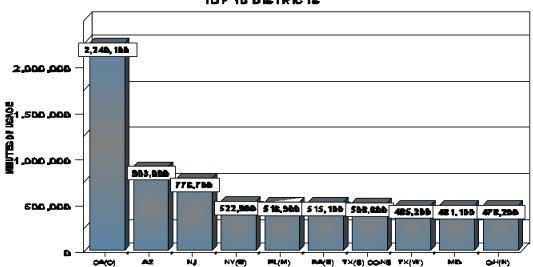
## PACER Usage In Minutes Central District of California



- (1) Number of telephone lines expanded from 20 to 36 on 4/4/96
- (2) webPACER images of petitions/schedules/orders available in LA/ND, 3<sup>rd</sup> Qtr 1998
- (3) webPACER images of petitions/schedules/orders available in SFV, 4th Qtr 1998
- (4) webPACER images of petitions/schedules available in RS/SA, 2<sup>nd</sup> Qtr 1999

The Administrative Office has projected Central District PACER usage in the year 2000 to exceed the combined usage of the next three highest volume districts. (See the following graph.)





#### Public Usage of the Voice Case Information System (VCIS) Increases

The Voice Case Information System (VCIS) is an automated telephone system providing the public with basic case information through the use of a touch-tone telephone. This free service is available 24 hours a day, 7 days a week, and allows users to access case information such as case number, case filing date, case chapter, status of case, and asset information. The number of calls in 1999 approached 600,000 inquiries, an 8% increase over the levels reported in 1998. (See the following table.)

ESTIMATED VOICE CASE INFORMATION SYSTEM (VCIS) USAGE: 1998-1999						
Division	Total Calls 1998	Total Calls 1999	Number Change	Percent Change		
Los Angeles	224,078	264,000	39,922	18%		
Riverside	103,294	108,000	4,706	5%		
Santa Ana	76,533	90,000	13,467	18%		
Northern	52,176	38,368	-13,808	-26%		
San Fernando Valley	81,744	85,200	3,456	4%		
District Total	537,825	580,800	42,975	8%		

#### **Public Continues to Receive Excellent Customer Service**

The Customer Service Questionnaire furnishes the Court with important feedback about the quality of customer service provided to the public. In addition to capturing traditional "satisfaction with service" information on a wide variety of variables, the questionnaire allows respondents to write in comments and suggestions. Customer Service Questionnaires are available at all divisions of the Court, as well as on the Court's web site.

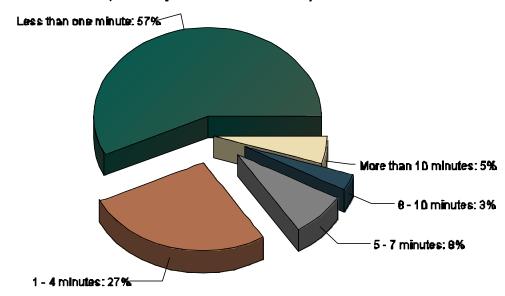
An analysis of the responses received from January through December 1999 reflects the following:

- ! Nearly 92% of the respondents rated the overall service of the Court as excellent.
- ! More than 90% of the respondents rated the employee who served them as excellent in each of the following categories: Overall, Courtesy/Attitude, Competent/Helpful, and Speed/Efficiency.
- ! Service was provided to 92% of those responding within seven minutes of their arrival.
- ! The convenience of the facility was rated as excellent by 80% of those responding, while facility appearance was rated as excellent by 94% of the respondents.

Providing customers with fast service is an important goal of the Bankruptcy Court. In 1999, a remarkable 57% of the respondents reported that they were served within one minute of their arrival, compared with 45% in 1998. Moreover, only 5% of the respondents in 1999 waited more than ten minutes, compared to 16% of the respondents in 1998. The following chart illustrates the length of wait for service reported by respondents to the Customer Service Questionnaire.

### Customer Service Questionnaire: Length of Wait

(January - December 1999)

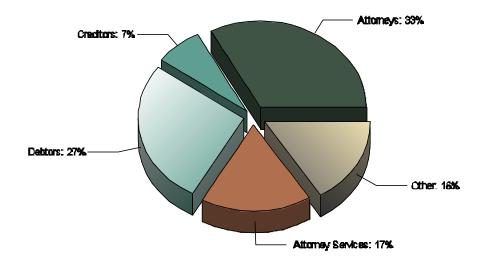


The following table and chart detail the services used by Customer Service Questionnaire respondents and the types of customers who responded.

Customer Service Questionnaire: Services Used (Multiple responses possible)				
Intake/Filing Counter	60.5%			
Records	19.5%			
Information Office	6.6%			
Courtroom Services	3.3%			

## **Customer Service Questionnaire: Who Responded**

(January - December 1999)



#### **Court's Web Site Continues to Expand**

The Court's web site continued to provide the public with a quick and easy method of obtaining court forms, reference materials such as the Local Bankruptcy Rules, and the latest Court information. Using the web site, customers can download a wide variety of court forms and other documents free of charge, 24 hours a day, 7 days a week. Users can also apprise themselves of the latest developments in the Court by accessing the public notices and general orders. During 1999, the Court substantially increased the type and amount of information, forms, and other documents available on the web site by adding more court forms, updated materials regarding the Court's *Pro Bono* and Mediation Programs, and links to various bar associations and governmental agencies.

Over 146,000 people have visited the Court's web site since its debut in April 1997. The web site address is <a href="http://www.cacb.uscourts.gov">http://www.cacb.uscourts.gov</a>>.

#### **Bankruptcy Education Videos Made Available to the Public**

The Basics of Chapter 7 Bankruptcy, a 20-minute debtor education video provided at no charge by VISA U.S.A., was made available for public viewing in all divisions. The video explains bankruptcy concepts important to the debtor such as exemptions and the roles of attorneys and trustees, while also providing a balanced overview of the bankruptcy process. This is especially important in the Central District where approximately one-third of all petitions filed are without the assistance of an attorney (pro se).

#### **Telephone On-Hold Feature Introduced District-Wide**

Each division added an on-hold feature to its telephone system. The combination of music and helpful information was designed to answer many commonly asked questions. A portion of the message loop is tailored to address issues particularly relevant to each division.

#### **Drop Box Filing Enhances Customer Convenience**

The Court provides customers with the added convenience of filing documents outside of normal office hours using the drop-boxes in the Los Angeles, Santa Ana, and San Fernando Valley Divisions from 7:00 a.m. to 6:00 p.m., and in the Riverside Division from 7:00 a.m. to 5:00 p.m. (The Northern Division does not offer a drop box.) Drop boxes also can be used by the public during office hours to avoid having to wait in line. Documents placed in the drop box receive a "filed" stamp reflecting the date it was deposited in the drop box. Since documents from the drop box can be processed outside of the busiest office hours, this service also helps the Court better handle its workload. In 1999, an estimated 284,297 documents were filed using drop boxes in the four participating divisions. (See the following table.)

ESTIMATED NUMBER OF PLEADINGS LEFT IN SELF-SERVICE DROP BOXES: 1999*						
Division Document	LA	RS	SA	SFV	District	
Documents With Fees	15,600	4,975	2,450	5,533	28,558	
Documents Without Fees	132,600	54,917	29,172	39,050	255,739	
TOTAL	148,200	59,892	31,622	44,583	284,297	

<sup>\*</sup>The Northern Division does not have a drop box.



#### **Long Range Objective Completed**

The move of the Santa Ana Division into the new Ronald Reagan Federal Building and United States Courthouse in January 1999 completed the Court's long range objective of relocating all divisions to new or upgraded offices.

#### **Los Angeles Division**

Significant changes that took place in the Edward R. Roybal Federal Building and the 300 North Los Angeles Street Federal Building included:

The Systems Integration Division was relocated to larger space on the 10th floor of the Roybal Building. The Analysis & Information, Communications, and Space Planning Departments were relocated to new office space on the 12th floor.

The protection of computer equipment and data against power failure was improved by the addition of three large UPS (uninterruptable power supplies) units. Dedicated air-conditioning units for computer network equipment closets throughout the Roybal Building were installed to prevent the interruption of services or loss of data from heat damage.

Systems furniture in the Court Services and Case Initiation Sections were reconfigured to better accommodate work flow as well as ergonomics.

The height of the partition walls of the public carrels located in the Records Section was reduced to improve case file security. (See picture at right.)



A group of workstations was built to accommodate the Division's imaging operations, including two high speed/high volume scanners for batch processing, a flat bed scanner, and eight computers.

#### **Riverside Division**

Construction of a District Court facility adjacent to the Bankruptcy Court facility in Riverside commenced in 1999. The new building was designed so that both courthouses will share a common public entrance.

The gate securing the judges' parking area and loading dock was replaced.

Additional document management components were added to systems furniture at each cashiering window.

#### Santa Ana Division

The Santa Ana Division completed its move to the new Ronald Reagan Federal Building and United States Courthouse, opening its doors to the public on January 19, 1999. The ten-story building became home to four bankruptcy judges, four district judges, two magistrate judges, a Ninth Circuit Court of Appeals judge, and the Bankruptcy Court's Clerk's Office. The building was officially dedicated at ceremonies held on January 7, 1999.

Following occupancy of the new building, additional improvements were made including the addition of a door in the records counter area to improve security, construction of a new office in Case Initiation, and the installation of a service counter and vending machine area in the break room.

#### **Northern Division**

The infrastructure to support video conference hearings was installed in both courtrooms of the Northern Division. (See video conference hearing article on page 40.) Several workstations were reconfigured to improve workflow.

#### **San Fernando Valley Division**

A new Public Information Desk was installed in the Intake area to provide customers with easier access to information, forms, and general assistance. (See photo below.)



**Customer Service Representative Raoul Mendez** 

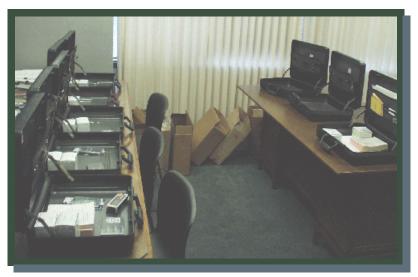
Systems furniture in the Case Initiation area was reconfigured to facilitate the integration of imaging and archiving operations into the team structure.

Document management modules were added to workstations in Courtroom Services.

#### Occupant Emergency Preparedness/Building Security Activities

The Clerk's Office developed an *Emergency Reference Guide* for the senior staff of each division to improve management's ability to respond quickly and effectively in the event of an emergency. This reference guide features an emergency checklist of priorities requiring immediate attention by the Deputy-in-Charge or other senior management. The reference guide also serves as an easy-to-use emergency resource with: emergency phone numbers, procedures for accepting emergency petitions, scripts and procedures for changing telephone messages to keep the public informed of the status of the emergency, public notices to be posted at the closed division, and "Safe Area" maps.

The *Emergency Reference Guide* is part of an emergency evacuation kit that also contains a cellular telephone with extra batteries for on-going communication. Once a division has been evacuated and the emergency is under control, the emergency evacuation kit allows the Clerk's Office to continue operating on an emergency basis. The kit, which is a "portable courthouse," also contains: manual receipts, "filed" stamps, general office supplies, a judge assignment deck for new case filings, and signs notifying the public of the temporary emergency filing/information area.



The Court's emergency evacuation kits



#### **Employment Dispute Resolution Plan Implemented**

As all courts were required by the Judicial Conference to implement an employment dispute resolution plan, the Court adopted the Ninth Circuit Model Equal Employment Opportunity (EEO)/Employment Dispute Resolution (EDR) Plans with several modifications approved by the Board of Judges. While the Court's EEO Plan remained essentially the same, the new EDR Plan provides all covered employees with a five-step process for resolving employment disputes related to: (1) nondiscrimination rights, (2) family and medical leave rights, (3) re-employment rights for members of the uniformed services, (4) worker adjustment and retraining notification rights, (5) workplace health and safety rights, and (6) prohibition against requiring polygraph tests from employees. In the Central District of California, the five sequential steps in the dispute resolution process involve: counseling, consultation with the appointing officer, mediation, judicial officer hearing/disposition, and review by the Ninth Circuit Judicial Council Executive Committee. Following a district-wide employee orientation, the EDR plan was implemented on January 1, 1999.

#### **Orientation Program for New Employees Developed**

The Court Resources Division, in conjunction with the Communications and Quality Assurance/Training Departments, developed a full-day orientation program for new employees. Under this program implemented in September 1999, all new employees throughout the district report to the Los Angeles Division on their first day of employment. The formal training and orientation program includes an overview and tour of the Court, a description of employee benefits, an outline of office policies and procedures, and training in use of the Court's Intranet, webPACER, and cc:Mail systems. In addition to more effectively communicating this information to new employees, this program results in a more timely and efficient processing of paperwork, photos, identification, and fingerprinting.

#### Staffing Equalization Between Divisional Offices Implemented

Staffing equalization measures were implemented in response to staffing imbalances between divisional offices that occurred as a result from shifts in filing patterns and attendant workloads. Under this program, six employees from the Santa Ana Division requested voluntary lateral reassignment to understaffed divisions. Four of these staff members transferred to the Los Angeles Division and two transferred to the Riverside Division.

#### Policy and Procedure for Hire and Separation Improves Court Security

The Financial Services Department coordinated the development of a policy and procedure for notifying Personnel, ITD, and Offices Services of new, transferred, and separated employees. The policy was designed to expedite the processing of these individuals and to ensure that all Court property is properly tracked, while improving physical and systems security. Following the training of all managers, the Los Angeles Division began piloting the new policy and procedure on April 1, 1999. It is currently being modified to include integration with the Court's automated fixed asset tracking program. Once this integration has been completed, the Court anticipates releasing it district-wide in 2000.

#### **Procedures on Accidents at Court Facilities Implemented**

Procedures and reporting forms for accidents occurring on Court facilities were drafted and distributed to all divisions in December 1999. The accident procedures and reporting forms were designed to provide each division with a uniform process for handling injuries in the workplace.

#### **Recruitment Expands to Job Fairs**

The Court Resources Division attended job fairs located on the campuses of the University of Southern California and San Bernardino Valley Community College. The Court Resources Division anticipates attending more job fairs in the future to increase the Court's pool of applicants, as well as to increase Court visibility in our communities.

#### **Tuition Reimbursement Program Enters Third Year**

Initiated in 1997, the Tuition Reimbursement Program continued to grow in 1999 with 19 Court employees receiving assistance. Several employees who participated in the tuition reimbursement program received their degrees this year.

#### **Employee Recognition Programs**

#### **Annual Awards Ceremonies**

The Bankruptcy Court held its Annual Awards Ceremonies in September 1999 to recognize outstanding performance by Clerk's Office employees. A total of 159 awards was distributed at formal ceremonies hosted by each divisional office. Jon D. Ceretto, Executive Officer/Clerk of Court, welcomed those in attendance and Chief Judge Mund thanked and encouraged the staff. Criteria for the 1999 awards included:

- ! Implementation of new technology that improved and expanded the Court's service capabilities to the public, judges, and members of the bar
- ! Sustained superior performance in supporting the daily operations of the Court
- ! Increased case processing effectiveness while reducing the Court's pending caseload, and increasing docketing speed, volume of cases closed, and accuracy
- ! Outstanding customer service that was recognized by the public, judges, supervisors, and peers.

## 1999 ANNUAL AWARDS CEREMONIES















#### **Employee of the Month**

Each month, the Court awards an "Employee of the Month" award to a staff member in the Clerk's Office who has gone above and beyond the scope of his/her responsibilities to assist the public, help fellow employees, or improve the work environment. At a special monthly ceremony, each winner received a cash award, an "Employee of the Month" certificate, a small gift, and a photograph of the presentation. Additionally, an article spotlighting the employee appeared in the Court's monthly newsletter, the *Full Court Press*.

#### 1999 EMPLOYEES OF THE MONTH



#### Top row (from left):

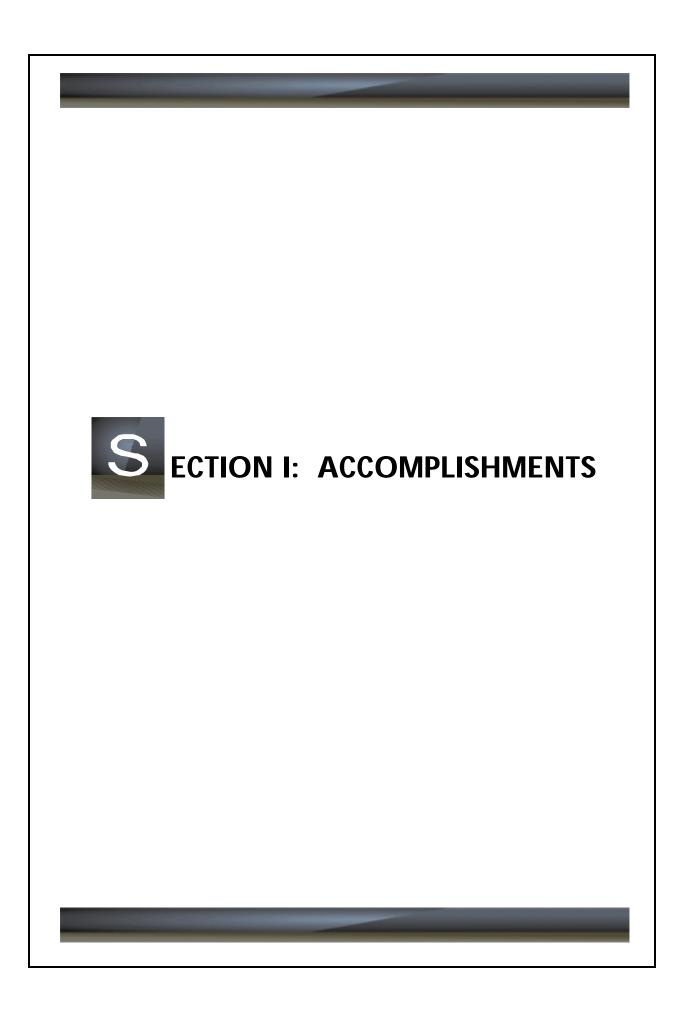
Nathan Tin Nguyen, Los Angeles (September); Donna K. Neubauer, Riverside (May); Gordon Wiley, Los Angeles (November); Nickie L. Bolte, Santa Ana (July); Jon D. Ceretto, Executive Officer/Clerk

#### Center row (from left):

Arlene Chavez, San Fernando Valley (March); Cindy Leos, Riverside (October); Donna M. Johnson, Santa Ana (February); Linda Paredes, Los Angeles (January)

#### Front row (from left):

Steve Fujita, Los Angeles (August); Kam Rust, Santa Barbara (June); Kathleen Ogier, San Fernando Valley (December); Rachel Castillo, Los Angeles (April)





# uality Assurance/Training

#### **Train-the-Trainer Program Comes to Los Angeles**

In recognition of the importance of training in the development of a quality assurance program, the Court sought to enhance the skills of trainers throughout the district. Through a coordinated effort with the Administrative Office's Technical Training and Support Division (AO-TTSD), the Court piloted a program that previously was only available by sending a limited number of Court Training Specialists to San Antonio, Texas. For this program, an AO-TTSD Training Specialist came to the Court to conduct a week-long workshop for 16 individuals from throughout the district who are responsible for training other staff members. The workshop provided participants with an understanding of: basic presentation and delivery skills and their importance to successful training classes, adult learning styles, and the psychology of personality. In addition to the significant cost savings to the judiciary by having the trainer come to Los Angeles, more staff was able to attend the class than if it had been conducted in Texas.



Seminar Facilitator Lou Gil



**Train-the-Trainer Seminar Participants** 

#### Use of Federal Judicial Television Network Continues to Grow

With the installation of the Federal Judicial Television Network (FJTN) in both the Los Angeles and Santa Ana Divisions, the Court enhanced its capability to meet the educational and informational needs of both judicial and court staff. Presentations included the AO series on the Judiciary Benefits Initiative; Supplemental Benefits and Flexible Spending Accounts; FJC court management workshops, such as Leadership 2000 and The Essence of Leadership, and Agricultural Bankruptcy, a program designed to provide updates to bankruptcy judges and law clerks on Chapter 12 case-law developments. Video tapes of these and other FJTN programs were made available throughout the district.

#### **New Quality Assurance Program Initiated**

During 1999, the Quality Assurance/Training Department focused on developing standardized quality assurance procedures and measures throughout the district. This effort resulted in a new Quality Assurance Program for petitions that is being piloted in the Los Angeles Division's Case Initiation Department, with expansion to the remaining divisions planned for early 2000. The program is unique in that it features an automated worksheet format that is user-friendly, includes all information necessary for a quality review, automatically enters error data into a database for analysis, allows on-screen edits and corrections, and identifies potential problem areas and training issues. This program provides an accurate and efficient method for reviewing new petitions and standardizes the quality control process throughout the district.

# Judges Conduct "Lunch and Learn" Programs in Los Angeles and San Fernando Valley

In October 1999, the Los Angeles Division launched a new "Lunch and Learn" program for Clerk's Office staff. Each month, a different judge provides a 30-minute presentation to Clerk's Office staff on issues designed to increase the staff's understanding of the bankruptcy process. Under this popular and well-attended lunchtime program, judges have conducted sessions on topics such as the pending bankruptcy reform legislation and the relationship of the Bankruptcy Court to other court units and agencies.

The judges in the San Fernando Valley Division and the local bar association began a "Lunch and Learn" program for attorneys in May 1999. The program consists of

monthly one-hour presentations on different areas of bankruptcy law and procedure. During 1999, the judges and bar association members have given presentations to attorneys and Clerk's Office staff on such topics as prosecuting motions for relief from the automatic stay, lien stripping in Chapter 13 cases, and adversary proceedings.

#### **Court Maintains Strong Emphasis on Staff Development**

The Court continued to develop staff through training in both automation and operational functions. The Court also conducted sessions on developing leadership skills, effective hiring and interviewing techniques, and improving writing skills. Please see the following table for an outline of training provided to staff in 1999.

**District-Wide Training: 1999** 

Classes	Staff Participant Hours							
Name	Total Number	Total Hours	LA	RS	SA	ND	SFV	
	OPERATIO	ONS PROCEDUR	ES					
NIBS	167	768	82	76	141	41	428	
Calendaring	44	138	0	0	98	0	40	
Recording	75	202	0	0	46	0	156	
Video Conferencing	27	94	0	0	88	0	6	
Case Initiation	138	475	66	0	18	42	349	
Imaging	42	49	4	0	109	0	36	
Counterfeit Currency	10	130	42	26	26	16	20	
Bank Card	2	17	0	3	0	0	14	
Appeals	3	85	49	0	0	0	36	
Telephone	6	11	0	0	8	0	3	
Court Costs	6	47	47	0	0	0	0	
AUTOMATION TRAINING								
webPACER	1	44	44	0	0	0	0	
WordPerfect	86	552	8	2	469	73	0	
cc:Mail	1	1	0	0	0	0	1	
Quattro Pro	1	97	83	7	7	0	0	

Classes	Staff Participant Hours						
Name	Total Hours	LA	RS	SA	ND	SFV	
FEDERAL JUDICIAL CENTER/AO-SPONSORED PROGRAMS AND FJTN PRESENTATIONS							
Employee Competencies	2	120	80	40	0	0	0
Hire the Right Person	2	352	224	40	48	16	24
Leadership 2000	6	113	90	0	15	0	8
Working Program	40	653	0	0	600	16	37
Flexible Spending Plan	9	176	114	1	47	14	0
Supplemental Benefits	1	53	0	0	0	0	53
Presentation & Development Techniques	1	640	240	80	120	80	120
FJTN Presentations	10	66	54	0	6	6	0
	OTH	ER TRAINING					
Simply Grammar	3	97	51	2	28	0	16
Writing Class	12	363	168	26	41	72	56
Coping with Transition & Change	2	26	0	0	0	17	9
Mediation Training	3	66	40	0	20	0	6
Safety Training	4	52	0	0	37	15	0
Your Role in a Changing Work Environment	1	322	161	70	49	14	28
	LOCALLY DE	EVELOPED TRA	INING				
EDR/Health and Safety	4	77	62	0	0	15	0
Law Clerk and Extern Training	1	169	78	26	39	0	26
New Employee Orientation	5	54	24	0	0	8	22
Coping with Change Seminar	1	442	289	34	51	34	34
TD Automation Seminar	1	630	441	63	42	42	42
Special Procedures	3	60	50	0	3	0	7



#### **Court Achieves Y2K Readiness**

The Court successfully completed all software and hardware modifications required to operate in the year 2000 (Y2K). The project of identifying software requiring Y2K-related modifications throughout the district began in a special computer laboratory located in Los Angeles. All automation programs, such as software for cashiering (ICS-Intake Cashiering System), case management (NIBS-National Integrated Bankruptcy System), calendaring (CCP-Court Calendar Program), and financial functions, had to be revised. Once the revised software was tested in the computer laboratory, it was then tested in the field.

By April 1999, the Northern Division began structured Y2K compliance testing of ICS and NIBS, followed by the Court Calendar Program (CCP). A testing schedule, assessment reporting form, and tracking system for each module tested was developed by this division. Operations staff, working closely with the technical staff, made program modifications as needed. Following months of field testing by the Northern Division, Y2K compliant versions of ICS and NIBS were installed in all divisions on August 30, 1999. Also upgraded to Y2K specifications at that time were related software applications, such as CCP, VCIS (touch-tone inquiry automation), and RACER (used in webPACER).

Revisions transparent to the users of case management software made it possible to recognize the year 2000 in calendaring dates for hearings, §341(a) meetings, bar dates, and all other date-sensitive data. All computer hardware was checked for Y2K compliance and replaced as needed. The readiness of all networking and telecommunications hardware was determined by May 31, 1999. By September 15, 1999, Y2K compliant versions of the Court's appropriated funds procurement system (ASAP) and the financial system (LAFS) used to transmit requests to the District Court for payment of non-appropriated fund items also became fully operational. Finally, the Records Management System (RMS), written in non-Y2K compliant UNIX, was rewritten in Visual Foxpro so that it could be fully integrated into existing systems. After successfully piloting the new version of RMS, the Riverside Division trained the other four divisions simultaneously through the use of video conferencing. The Y2K version of RMS, known as the Visual Records Management System (VRMS), was introduced district-wide on December 20, 1999.

#### **Use of Video Conference Hearing Technology Expands**

The Court introduced video conference hearing technology for judicial proceedings to the Northern Division, completing the plan to provide this capability to all five divisions. The use of this technology also expanded in a variety of new areas for the Court, providing it with increased flexibility in handling its caseload.

Video conference hearing technology assists the Court by allowing the Court to assign cases based on workload, regardless of geographical considerations, while reducing the time and expense associated with travel. On August 9, 1999, the Honorable James N. Barr became the third judge to routinely receive a portion of his caseload from a division other than the one in which he sits. From his Santa Ana Division courtroom, Judge Barr presides over proceedings where the participating parties are in a Riverside courtroom. The Honorable John E. Ryan and the Honorable Ellen Carroll began using video conferencing technology to preside over hearings in 1998 and continued to receive and hear cases in this manner in 1999.

Several video conference hearing "firsts" occurred during the year. While many of the judges were away at a conference in Baltimore, Maryland, the Honorable David N. Naugle (who did not attend the conference) employed video conference technology to hear an emergency matter from the Santa Ana Division in his Riverside Division courtroom. The Honorable Lisa Hill Fenning used video conference hearing technology for a trial in which the plaintiff participated through a video link originating from a distant correctional facility. To accommodate possible courtroom overcrowding for hearings related to a mega case, the Honorable Barry Russell made use of existing video technology to broadcast hearings to an adjacent courtroom. Using existing wiring, cameras and monitors were set up in both courtrooms to allow attendees in the overflow courtroom to see and hear the hearings while Judge Russell monitored attendance in the remote courtroom.

At the Ninth Circuit Conference held in July 1999, the Court demonstrated video conference hearing technology as part of an educational program for the judges.

The video conference demonstration featured a "mock trial" that was held in Los Angeles and viewed in Monterey, California, where the conference took place. Based upon their practical use of the technology. Honorable Ellen Carroll and the Honorable John E. Ryan gave presentation а highlighting video hearing technology that included a demonstration of various camera angles and other features of the system used in the Central District.



Video Conferencing Demonstration at the Ninth Circuit Conference

By the end of 1999, a project to enhance courtroom video conferencing equipment was underway throughout the district. The project includes: improved cameras, movable carts that allow for the mobility of cameras and monitors, additional wiring infrastructure in all courtrooms district-wide, in-house documentation of the technical aspects of the Court's video systems, enhanced software for remote camera control, and new video panels for each bench. The video panels will display both a video image of the far end of the courtroom, as well as on-screen controls to position cameras and adjust sound.

#### **Divisions Continue to Utilize Video Conferencing**

The Court continued to use video conferencing to facilitate meetings, personnel recruitment, and training by reducing the time and costs associated with travel between divisions. During 1999, judges routinely attended committee meetings held in other divisions via video conferencing. Court Resources used video conferencing to conduct employment interviews when applicants or members of the recruitment panel were in different locations. Video conferencing was also utilized for district-wide training, ensuring that all divisions received the same information simultaneously.

#### IRS First to Participate in Court's Electronic Bankruptcy Noticing (EBN)

The Internal Revenue Service (IRS) became the first creditor in the district to receive notices electronically in lieu of printed copies on July 20, 1999. Other creditors that began participating in the program during 1999 were Foley's Department Stores, Max Recovery, Inc., and GE Capital Mortgage Services Corporation. Coordinated by the Administrative Office with technology available at the Bankruptcy Noticing Center (BNC), EBN cut costs to the judiciary associated with the printing and mailing of notices. Since notices issued through EBN are no longer printed, EBN allows creditors to receive a large volume of information that can be processed by their computers at a fraction of the cost of manual methods. EBN is also environmentally friendly as it eliminates the need for printed notices. All §341(a) meeting notices and Chapter 7 discharges sent by the Court to participating creditors are sent in the electronic noticing format and eliminate the printing of hundreds of thousands of notices.

#### **Intake Notices Automated District-Wide**

Following the successful piloting of the automated *Order to Comply, Case Commencement Deficiency Notice*, and *Case Initiation Action Notice* in the Riverside Division, the new Intake Cashiering System (ICS) enhancement was implemented throughout the Central District on March 29, 1999. The automation of these ICS forms eliminates the time previously required by the Clerk's Office to manually process the old multi-part forms, improves the consistency and legibility of the printed notices, and improves the ability of the Clerk's Office to implement district-wide form revisions.

#### **Process for Imaging Case Documents Streamlined**

As the number of bankruptcy case documents imaged and made available through online case files continued to increase, several areas of the imaging process were streamlined. The Los Angeles Division began testing the transmission of electronic images of the Order Closing Case (OCC) from the case management software to the appropriate online case file. This will eliminate the need to print and scan the OCC and then to link the image to the online case file.

An automation enhancement streamlined the production of bar code separator sheets used to facilitate the batch processing of documents in the imaging process. This enhancement eliminated several manual steps by allowing the operator to print

separator sheets in desired order, resulting in a significant reduction of "paper shuffling." Additional data was added to the separator sheets to automate the linkage of each document image to the appropriate docket entry. A significant savings of resources and staff hours resulted from this automation enhancement, along with a reduction in the risk of operator error.

By the end of 1999, the Information Technology Division (ITD) developed a program eliminating the need for duplicate scanning of the creditor matrix: once for the online case file and a second time for the NIBS creditor database. This program allows users to retrieve creditor data from cases that have been imaged and transfer the data to NIBS. Quality control insures data integrity. Upon conclusion of a pilot program in the Los Angeles Division, the software will be made available district-wide.

#### **IntelliTrack Fixed-Asset Inventory System Becomes Operational**

In January 1999, the new IntelliTrack fixed-asset inventory system became operational. Replacing an internally developed DOS-based application, IntelliTrack improved the ability of the Court to track its fixed-asset inventory. It provided a more stable database and better access to reports. Another benefit was that all five divisions can simultaneously access IntelliTrack and complete inventory updates through the Court's wide-area network (WAN). To ensure the accuracy and dependability of the new IntelliTrack system, the old system was operated in tandem with the new system for a two-month period before the old system was retired.

#### Paperless Option Now Available for Office Supply Requests

The Office Supply Directory was made electronically available on the Court's Intranet web site. In addition to eliminating paper copies, the new Intranet version of the Office Supply Directory is always up to date and affords the user with a word search feature to quickly locate a supply item. An electronic version of the Office Supply Order form (formerly the Supply Requisition) was also made available through the interoffice e-mail system.

#### webPACER Access Doubled

In response to the record volume of webPACER usage, dial-in access to the Court's webPACER system was doubled to accommodate the growing number of users. The added capacity was online by the end of 1999.

#### **Computers Upgraded Throughout Court**

Over 200 computers in chambers and several Clerk's Office departments were upgraded to improve the performance of all computer applications. The new Pentium II and III class computers run at speeds of up to 450 megahertz and feature between 64 mb and 128 mb of RAM.

#### **Online Case File Servers Upgraded**

A new server and disk subsystem was installed in Los Angeles on October 23, 1999, tripling the Court's capacity for storing document images for online case files. New servers were also received in the Riverside, Santa Ana, and San Fernando Valley Divisions that will dramatically expand the capacity available for the storage of document images in each of those divisions.

#### **Cashiering Printers Upgraded**

Cashiering windows in the Northern and San Fernando Valley Divisions were upgraded with new Hewlett Packard 4000 LaserJet printers, while the other three divisions will be upgraded in January 2000. Replacing dot matrix printers, the new printers improve the clarity of labels used for new bankruptcy case filings, adversary proceedings, and motions, as well as of receipts and cashiering reports. The new printers enable cashiers to print images of online case files, deficiency notices, orders to comply, and rejection notices - documents previously produced in the back office. The new printers are faster, printer noise is dramatically reduced, and the overall appearance of printed material is far more professional. Small Epson printers were also installed at each cashiering window for endorsing checks.



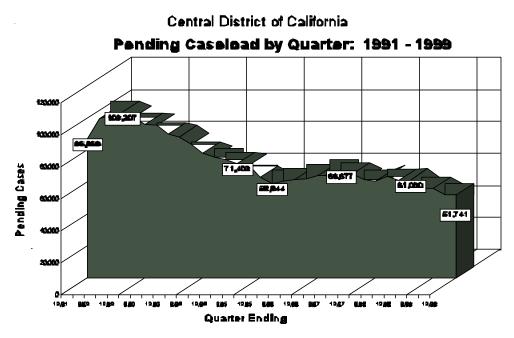
## ase Administration

#### **Near Record Number of Bankruptcy Cases Filed in 1999**

In 1999, 101,472 bankruptcy cases were filed in the district, representing the fourth consecutive year in which over 100,000 cases were filed. While the number of filed bankruptcy cases declined 15.5% from the record 120,063 bankruptcy cases filed in 1998, the volume represents a remarkable 89% increase over the number of cases filed in 1989, just ten years ago. By streamlining operations and integrating case management automation, the Court is credited with not only managing its record volume, but also improving case management and customer service during that time.

#### Major Reduction in Pending Caseload Accomplished

In 1999, 111,736 bankruptcy cases were closed, reducing the Court's pending caseload to 51,741 cases, the lowest pending caseload in over 15 years. This represents a 15.3% decrease from the 61,090 cases pending at the end of 1998. Moreover, it is 50% less than the record 103,207 cases that were pending in 1992. Improved case management techniques, automation initiatives, aggressive case closing goals that were put into place in the last few years, and a reduction in case filings were credited for this impressive reduction. (See graph on page 46.) In addition to reducing the overall caseload, the Court also was successful in reducing the average age of the caseload. (See page 48.)



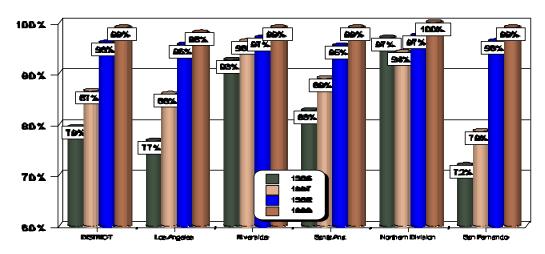
#### **Excellent Docketing Performance Becomes Court Standard**

In the past year, the Clerk's Office continued to improve its docketing performance as measured by the length of time it takes to enter a filed document on the docket, surpassing the already dramatic improvements achieved in this area over the last few years. In 1999, the Clerk's Office docketed 98% of all items (except automated entries) within two days of filing, compared to 96% in 1998. To better appreciate the improvements in docketing performance, only 59% of all items were docketed within two days when the Clerk's Office began measuring docketing performance in August 1995.

This superior docketing performance established a high standard of excellence for the Court. Docketing on a timely basis is important in providing case status information to both the public and the Court and has become more critical with the increasing availability and popularity of online case files.

Timely entry of all documents on the docket is essential not only to ensure efficient administration of the case, but is also a critical factor in ensuring public confidence in and acceptance of the online case file program.





#### **NIBS Docket Code Dictionary Posted to Intranet**

The Court began posting the docket code dictionary on the Court's Intranet site. Designed to improve the staff's access to this document throughout the district, it was updated whenever a change occurred with one of the docket codes. With district-wide access to the dictionary, staff can be confident that they have the most up-to-date information.

#### **Records Archived**

The Central District sent files for 90,948 closed bankruptcy cases and files for 5,204 closed adversary proceedings to the National Archives and Records Administration (NARA) for archiving in 1999. The following table outlines the archiving activity that occurred in each division during 1999.

RECORDS SENT TO THE NATIONAL ARCHIVES AND RECORDS ADMINISTRATION IN 1999								
	LA	RS	SA*	Northern	SFV	Total		
Bankruptcy Cases	46,682	26,020	0	6,954	11,292	90,948		
Adversary Proceedings	2,258	1,407	0	449	1,090	5,204		

<sup>\*</sup>The Santa Ana Division archived a large shipment in 1998 prior to their relocation.

# Clerk's Office Successfully Incorporates New Standing Trustees in the Riverside and San Fernando Valley Divisions

With the appointment of new standing trustees Rod Danielson and Elizabeth Rojas, the Chapter 13 case assignments and caseloads in the Riverside and San Fernando Valley Divisions were impacted. Beginning October 1, 1999, Mr. Danielson began receiving all Riverside Chapter 13 case filings and Ms. Rojas began receiving all San Fernando Valley Chapter 13 case filings. The reassignment of thousands of confirmed cases to the new trustees required docketing and revisions to trustee data contained on the dockets. Automation of the process reduced the impact of the reassignments on the Clerk's Office, while providing the public with timely information.

#### Average Case Age Reduced in 1999

In recent years, the district has focused its closing strategy on older bankruptcy cases and adversaries that are more complex than the majority of newer filings. The district measures case aging in 12 time categories in an effort to bring the older, more difficult cases to closure. In 1999, the Court's success in closing cases in seven of the 12 categories improved, and was unchanged in two categories. (See following table.)

Central District of California

Analysis of Pending Case Aging: 1998 vs. 1999

	Pending Case Aging Category	12/31/98	12/31/99	% Change
	Percent 2-4 Years	4.2	4.1	2.4
Chapter 7	Percent 4-6 Years	2.2	1.8	18.2
	Percent over 6 Years	1.9	1.8	0.5
Chapter 11	Percent 2-4 Years	24.8	24.9	-0.4
	Percent 4-6 Years	10.7	19.1	-78.5
	Percent over 6 Years	14.1	11.3	19.9
Chapter 13	Percent 3-5 Years	8.5	11.0	-29.4
	Percent 5-6 Years	0.5	0.5	0.0
	Percent over 6 Years	0.0	0.0	0.0
A.1	Percent 1-2 Years	15.6	14.1	9.6
Adversaries	Percent 2-3 Years	6.6	5.9	10.6
	Percent over 3 Years	8.7	7.5	13.8
Recordi	9/12			



## **ommunity Outreach**

#### **Court Employees Increase Charitable Contributions**

In 1999, Court employees contributed \$47,648 to a variety of charities through the Combined Federal Campaign (CFC), a 21% increase over the \$39,408 contributed in 1998. Established in 1961, the Combined Federal Campaign is the only authorized charitable campaign in the federal government workplace. Through the CFC, Court employees contribute money to hundreds of different non-profit organizations for people in need. Having served as Chair of the 1998-99 Greater Los



Mr. Ceretto receives the "Chair's Award" from Kathrene Hansen and William Withycombe.

Angeles CFC, Jon D. Ceretto, Executive Officer/Clerk of Court, continued to support the charitable causes in 1999 through his participation as Vice-Chair of the Federal Executive Board and as the federal government member of the Greater Los Angeles United Way Board of Directors.

Combined Federal Campaign (CFC) Program									
Division	1998 Dollars	1999 Dollars	% Change	1998 Donors	1999 Donors	% Change			
Los Angeles and San Fernando Valley	\$29,444	\$32,520	10%	196	202	3%			
Riverside	4,738	6,794	43%	77	32	-58%			
Santa Ana	4,638	7,425	60%	23	37	61%			
Northern	588	909	55%	12	12	0%			
TOTAL	\$39,408	\$47,648	21%	308	283	-8%			

#### **Court Receives Awards for Public Service**

The Greater Los Angeles Federal Executive Board acknowledged the Court with two awards in May 1999. The first award recognized the Court's Imaging team, comprised of both technical and operational staff, for outstanding contributions to public service by providing online case files to the public through webPACER. The Court received the second award as the federal agency making the most significant achievement during the 1998-1999 Combined Federal Campaign.



#### **Summer Youth Program Expands to San Fernando Valley Division**

The San Fernando Valley Division initiated Summer Youth Employment Training Program (SYETP) in 1999, joining the already successful programs conducted by the Los Angeles and Santa Ana Divisions. Coordinated by the California Employment Development



Department and the cities of Los Angeles and Santa Ana, SYETP is designed to provide students with practical office experience. Students in the program were assigned entry-level duties to help them develop basic office skills and also were provided with training in computer software applications by the Court. Funded by a federal grant, this program has been a continued success for both the students and the Court. In 1999, a total of 46 students participated in the Court's SYETP: 36 in Los Angeles, 4 in Santa Ana, and 6 in the San Fernando Valley.

#### **Computers Donated to Local Public Schools**

Following the district-wide upgrade to new computers, the Court again contributed older computers to public schools in the communities that it serves. While the computers help students to develop the skills required to succeed, the donation of the computers also eliminates the need to store and otherwise dispose of them. Our Court continues to be a leader within the federal community in assisting public education.

#### **Court Hosts National "Bring Your Child to Work" Day**

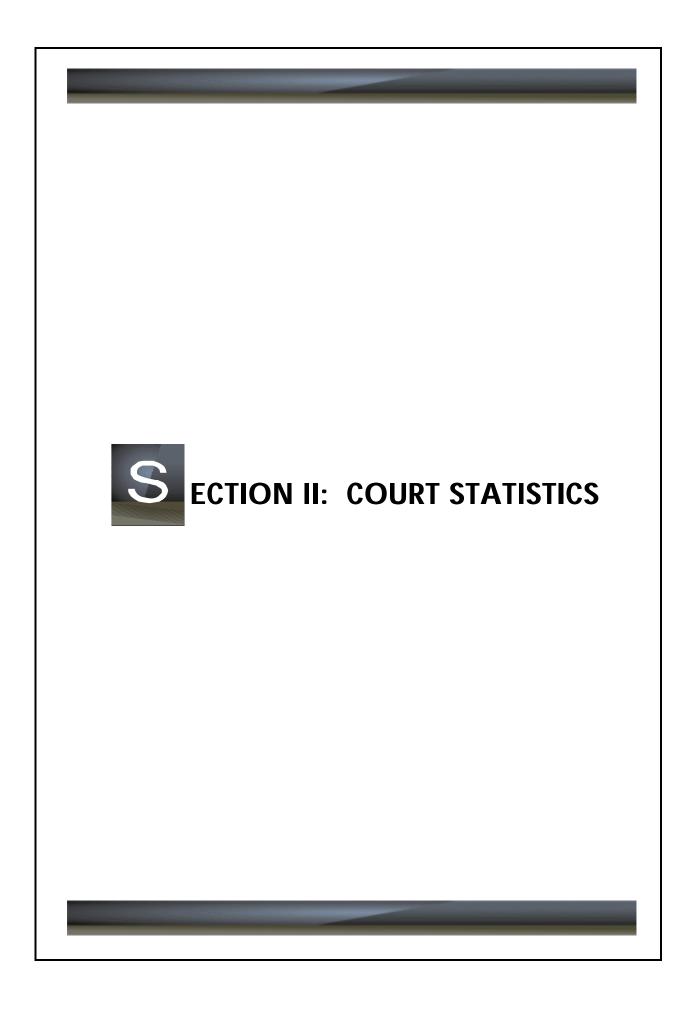
The Los Angeles, Riverside, Santa Ana, and San Fernando Valley Divisions hosted over 130 children on April 22, 1999, for the national "Bring Your Child to Work" Day. In addition to acquainting children with their parent's workplace, each division had a day of planned activities including mock trials, visits to neighboring agencies, demonstrations of imaging technology, and simple computer training.









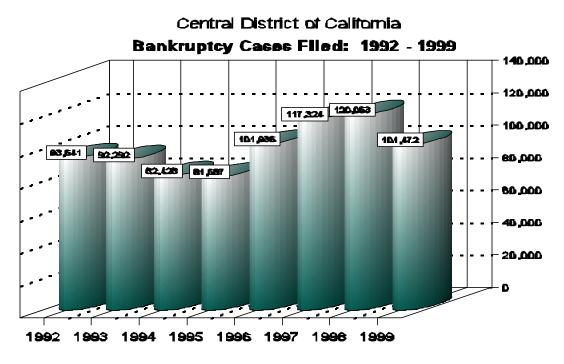




# Filings of Bankruptcy Cases and Adversary Proceedings Decrease From 1998 Record

A total of 101,472 bankruptcy cases were filed in the Central District of California during 1999, representing a 15.5% decrease from the record 120,063 cases filed in 1998. Bankruptcy case filings declined in all five divisions of the Court and in every chapter of bankruptcy in 1999. The largest percentage decrease in filings was noted in Chapter 11, where filings were 25.3% less than in 1998. Chapter 7 filings were down by 17.1%, while Chapter 13 filings were down by 7.5%. Filings of adversary proceedings in 1999 decreased by 7.7% from the prior year. [See Exhibit 15.]

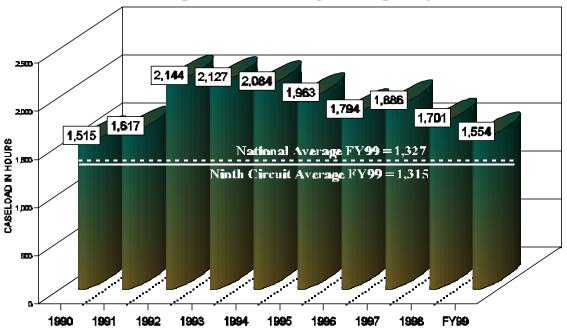
The following graph illustrates bankruptcy case filing statistics from 1992 through 1999.



#### Judge Weighted Caseload Continues to Exceed National Average

In March 1991, the Judicial Conference approved the bankruptcy case weights developed in the Bankruptcy Judge Time Study by the Federal Judicial Center. The weights were established primarily for evaluating requests for additional judgeships, but also provided useful information about the workloads of the judges of the Court and facilitated judicial workload comparisons with other bankruptcy courts across the nation and within the Ninth Circuit. In fiscal year 1999, the per-judge weighted caseload in this district was 1,554 hours per judge or 227 hours (17%) greater than the 1,327-hour national average, and 239 hours (18%) higher than the 1,315-hour Ninth Circuit average. (See the following graph.)



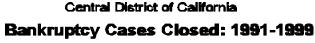


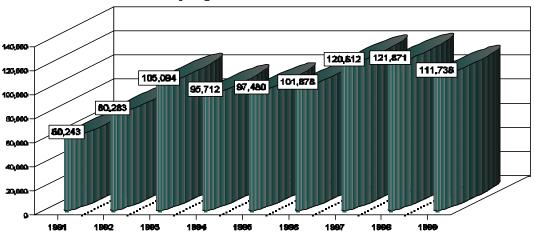
#### **Relief from Stay Motions Decrease**

The number of relief from stay motions filed in the Central District continued to decrease in recent years. In calendar year 1999, a total of 25,430 motions were filed in the district, representing a decrease of 24% from the 33,547 motions filed in 1998. This decline may be attributed to both the prompt dismissal of incomplete petitions before creditors can file a motion for relief from stay and to the overall decrease in the number of cases being filed.

#### **Bankruptcy Case and Adversary Proceeding Closings**

Bankruptcy case closing performance for the district remained consistent throughout 1999, averaging approximately 9,500 cases closed per month. During 1999, the district closed 111,736 bankruptcy cases and 6,425 adversary proceedings, outpacing the number of bankruptcy cases and adversary proceedings filed. To help manage the closing effort throughout the year, the district sets closing goals for various types of bankruptcy cases, as well as for adversary proceedings.





#### 1999 Unlawful Detainer and Mill Case Incidence Study

Sample data collected from the case files for petitions filed in April of 1999 indicated a continued decline in petitions filed to stop eviction. Further analysis demonstrates

that, over time, there has been a decrease in the use of Chapter 7 for unlawful detainer petitions and an increase in the use of Chapter 13. The 1999 findings are similar to those of 1998 in the extent to which unlawful detainer petitions relate to Chapter 13 as opposed to Chapter 7. In 1999, an unlawful detainer was involved in 13.5% of the Chapter 13 cases in the sample but in only 4.1% of the Chapter 7 cases. As in 1998, the use of such petitions was less frequent among renters than it was by persons wishing to avoid eviction after foreclosure. The Los Angeles and San Fernando Valley Divisions continue to have the greatest incidence of such petitions.

Filings by so-called bankruptcy mills have remained relatively constant. (A bankruptcy mill is a non-attorney who prepares frequently misleading and sometimes fraudulent petitions. The debtors for whom they work are often misled with respect to the facts and repercussions of filing for bankruptcy.) Although the number of unlawful detainer petitions has decreased, this decrease applied mostly to the petitions not prepared by the mills. Twenty-seven percent of the unlawful detainer petitions in the study sample were prepared by mills. The mills also continued to prepare a very small number of petitions for persons whose motive for filing is not to stop eviction.

PERCENT OF BANKRUPTCY CASES THAT ARE UNLAWFUL DETAINER FILINGS: 1991-1999								
Year	Los Angeles	San Fernando Valley	Northern	Santa Ana	Riverside	District Total		
1991 1992 1993 1994 1995 1996 1997 1998	22.4 12.9 11.9 13.3 3.2 10.9 10.4 9.0 6.6	* 12.4 4.2 12.7 12.8 7.4 6.8	* 1.3 7.0 0.2 3.5 5.4 3.3 3.5	10.9 9.4 3.2 4.0 1.4 2.2 6.9 3.8 4.6	2.6 6.4 1.2 2.3 3.6 7.3 1.2 3.7 2.4	16.9 11.0 8.3 9.5 3.0 8.8 8.0 7.1 5.4		

<sup>\*</sup>Included in the Los Angeles Division Numbers.

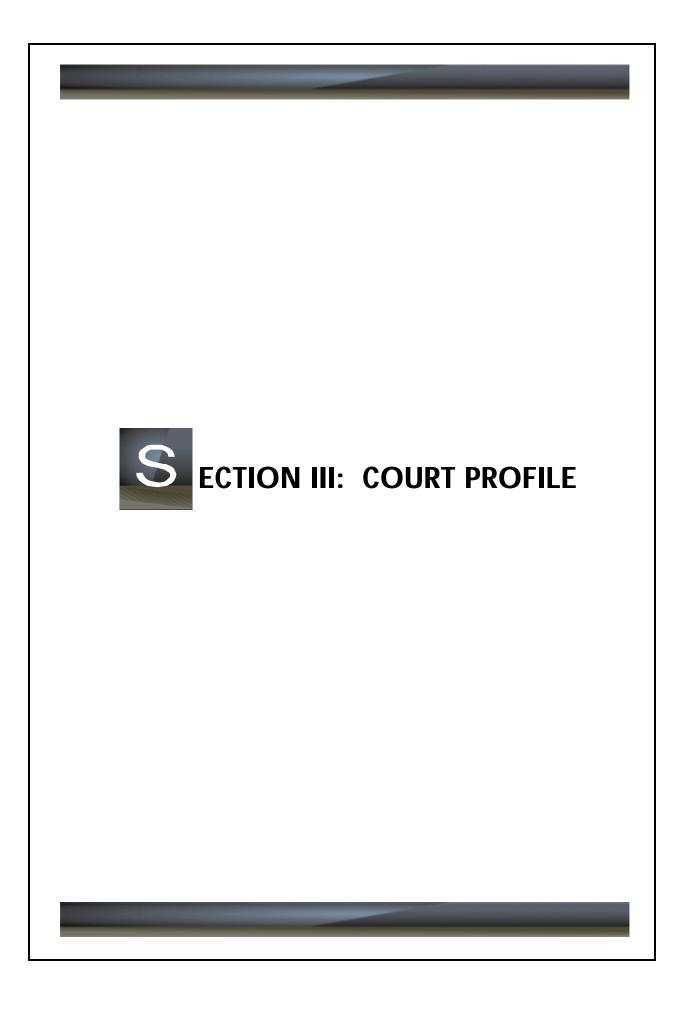
	PROJECTED ANNUAL UNLAWFUL DETAINER FILINGS								
Year	Los Angeles	San Fernando Valley	Northern	Santa Ana	Riverside	District Total			
1991 1992 1993 1994 1995 1996 1997 1998 1999	11,152 7,602 6,860 6,604 1,607 6,907 7,639 6,877 4,383	1,292 429 1,926 2,265 1,321 1,014	* 56 381 11 189 352 201 165	1,298 1,307 436 512 182 337 1,408 659 584	382 1,170 225 390 656 1,621 271 949 518	12,832 10,079 7,521 7,506 2,446 8,865 9,318 8,485 5,485			

<sup>\*</sup>Included in the Los Angeles Division Numbers.

#### **Pro Se Filings Continue at High Levels**

From 1994 through 1999, the number of Chapter 7 and 13 cases filed *pro se* (filed by an individual not represented by an attorney) averaged about 36%, one of the highest rates in the country. The following table shows the estimated number of *pro se* filings from 1994 through 1999. The number of *pro se* filings is significant because it adversely impacts the judicial and Clerk's Office workloads in the Court.

Central District of California Estimated Percentage of <i>Pro Se</i> Filings District-Wide: 1994-1999						
	Chapter 7	Chapter 13	Total			
1994	40%	44%	42%			
1995	36%	35%	36%			
1996	35%	38%	36%			
1997	37%	37%	37%			
1998	32%	32%	32%			
1999	33%	29%	31%			
Average	36%	36%	36%			





The Central District of California is the largest bankruptcy court in the United States. Presently, the district holds court in Los Angeles, Riverside, Santa Ana, Santa Barbara, and the San Fernando Valley.

The Central District of California covers approximately 40,000 square miles and stretches from the Central Coast area of the state eastward to the Nevada and Arizona borders. The Court has jurisdiction in the seven-county region, comprised of Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, Ventura, and San Luis Obispo Counties.

The Central District is part of the Ninth Circuit, which encompasses the federal courts of nine states: Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington. The Ninth Circuit also extends appellate services to the Territory of Guam and to the Commonwealth of the Northern Mariana Islands. The Ninth Circuit is the largest of the 12 federal circuits in size, population, number of federal judges, and volume of litigation. It includes 15 federal district courts, 13 bankruptcy courts, and a court of appeals.

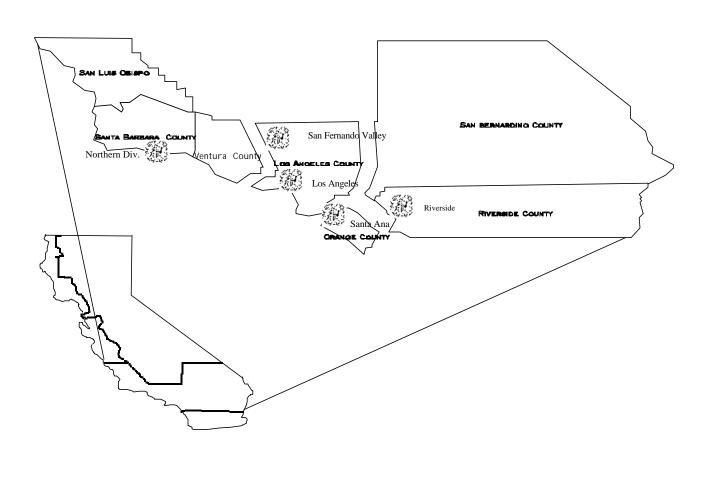
## A Brief History of the Bankruptcy Court in California

The first system of federal courts west of the Rocky Mountains was created with the establishment of the Ninth Circuit in 1848. Other significant milestones are listed below.

1850	The State of California was admitted to the Union.
1850	The Southern and Northern Districts of California were created.
1898	The Bankruptcy Act of 1898 gave district courts exclusive jurisdiction over bankruptcies.
1900	Congress divides the Southern District of California into two divisions: the Northern Division, meeting in Fresno, and the Southern Division, meeting in Los Angeles and comprised of the counties of San Luis Obispo, Santa Barbara, Ventura, San Bernardino, Los Angeles, Riverside, Orange, Imperial, and San Diego.
1929	Congress adds a third division to the Southern District. The designation of Los Angeles was changed from the Southern to the Central Division, and the San Diego court is designated the new Southern Division of the Southern District.
1957	A divisional bankruptcy office was opened in San Bernardino.
1959	A divisional bankruptcy office was opened in Santa Ana.
1966	California was divided into four judicial districts: the Central Division in Los Angeles becomes the Central District; the Southern Division in San Diego becomes the Southern District; the Northern Division in Fresno become the Eastern District; and the Northern District remains in San Francisco.
1978	The Bankruptcy Reform Act of 1978 passed by Congress.
1984	The Bankruptcy Amendments and Federal Judgeship Act becomes law.
1992	A divisional bankruptcy office was opened in Santa Barbara.
1992	The Los Angeles Division begins moving into the newly constructed Roybal Federal Building and Courthouse. (Move completed in 1993)
1994	Bankruptcy Reform Act of 1994 enacted.
1996	A divisional bankruptcy office was opened in the San Fernando Valley.
1997	The San Bernardino Division becomes the Riverside Division by relocating to a new courthouse in that city.
1999	The Santa Ana Division relocates to the new Ronald Reagan Federal Building and United States Courthouse.

## UNITED STATES BANKRUPTCY COURT

## **CENTRAL DISTRICT OF CALIFORNIA**





# opulation Served

The population in the Central District is estimated to be more than seventeen million people and represents approximately one-half of California's population of more than thirty-three million. Two of the five most populous counties in the United States (Los Angeles and Orange, based on the 1990 Census) lie within the Central District.

The following table details population changes in the Central District from January 1989 through January 1999 compared to the changes in bankruptcy filing numbers for the similar period of December 1989 through December 1999.

# ESTIMATED CHANGE IN POPULATION AND BANKRUPTCY FILINGS: 1989 vs. 1999

CENTRAL DISTRICT of	POPULATION ESTIMATES*			BANKRUPTCY FILINGS		
CALIFORNIA COUNTIES	1989	1999	% Chg	1989	1999	% Chg
Los Angeles	8,706,200	9,757,500	12.1%			
Ventura	653,500	742,000	13.5%			
Santa Barbara	359,800	409,000	13.7%	33,911	67,028	97.7%
San Luis Obispo	205,800	241,600	17.4%			
Orange	2,344,200	2,775,600	18.4%	8,306	12,813	54.3%
Riverside	1,057,200	1,473,300	39.4%			
San Bernardino	1,311,100	1,654,000	26.2%	11,392	21,631	89.9%
District Total	14,637,800	17,053,000	16.5%	53,609	101,472	89.3%

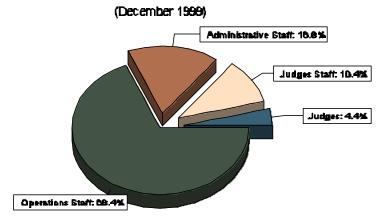
<sup>\*</sup>Population estimates compiled by the State of California, Department of Finance, Demographic Research Unit



On December 31, 1999, the total number of Full-Time Equivalent employees (including judges, judges' staff, and the Clerk's Office) on the payroll of the Bankruptcy Court in the Central District of California was 480. This is virtually unchanged from the 480.5 staff reported at the end of 1998.

The majority of staff works in Clerk's Office operations (68%). Operations includes the staff of the Intake, Records, Case Initiation, Courtroom Services, Analysis & Information, and Quality Assurance/Training Departments. Nearly 17% of the Court consists of Administrative Staff which includes the Executive Office, Court Resources, Financial Services, Information Technology, Office Services, and Space Planning. The judges' staffs, including law clerks and judicial assistants, comprise 10% of the total.

### **Bankruptcy Court Personnel**



The majority of employees work in Los Angeles (55%), followed by Riverside (16%), Santa Ana (13%), the San Fernando Valley (12%), and the Northern Division (4%).



As part of the budget process, an analysis of the historical expenditure rate over the past three years is conducted to determine a budget level necessary to maintain court operations. Any special one-time projects that require additional funds are also identified and transmitted to the Administrative Office for its planning needs and to determine the budget allotment for the Court.

At the beginning of every fiscal year, the Court develops a spending plan to implement those items outlined in the budget call. The plan is an extensive breakdown of the Court's operations by project and cost account, including the status of expenditures to date and potential additional funding. The plan is an internal budget tool that allows the Court to prioritize projects and to monitor expenditures. This is particularly important in fiscal years when the budget allotment does not fully meet the Court's requirements.

Internal and external events influence the Court's spending plans. For example, the scope of projects may change over the course of their implementation; natural events, such as earthquakes and floods, may raise new priorities; or a changing political environment may result in additional regulations and legal obligations. Therefore, the plan must be adaptable and flexible enough to meet these challenges.

In fiscal year (FY) 1999, the Bankruptcy Court for the Central District of California received \$22,681,899 as its share of the funds appropriated by the United States Congress for the Judiciary for operations. This represents a 2.5% increase from the FY 1998 amount of \$22,138,450 (excluding the one time allotment for the Santa Ana relocation project). Of this amount, \$19,718,383 (86.9%) was allotted for personnel salaries and \$2,963,516 (13.1%) for non-personnel operations and supplies.



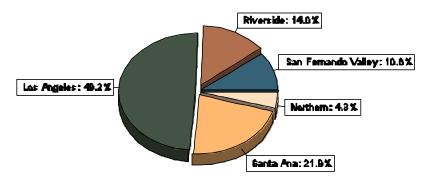
In fiscal year (FY) 1999, the Court collected \$25,741,401 in fees compared to \$27,429,315 collected in FY98 (a 6.2% decrease) and to \$26,871,710 collected in FY97. The Court collects fees in thirteen fund areas including: filing fees, bankruptcy notice fees, unclaimed funds fees, copy fees, and fees for other services rendered. The decrease in fees collected during FY99 is attributed to the reduction in the number of bankruptcy filings during this fiscal year. The following table compares the money collected in the seven largest funds between FY97 and FY99.

Monies Collected in the Seven Largest Funds FY97 - FY99							
FUND NAME	FY97	FY98	FY99	% Change FY99 vs FY98			
Funds Associated with Filing Fees:							
Filing Fees (086900, 086901)	\$3,697,647	\$3,771,453	\$3,509,902	-6.9%			
Fees for Bankruptcy Notices (092037)	\$3,415,239	\$3,579,561	\$3,205,075	-10.5%			
Fees for Bankruptcy Oversight (507311 and 5073XX)	\$3,811,558	\$3,858,295	\$3,437,714	-10.9%			
Bankruptcy Escrow Account (6855TT)	\$5,823,137	\$6,071,312	\$5,380,150	-11.4%			
Fees for Judicial Services (510000, 510001)	\$6,905,432	\$7,382,941	\$6,612,692	-10.4%			
Payment of Unclaimed Monies (6047BK)	\$2,466,075	\$2,054,518	\$3,254,480	58.4%			
Remaining Funds	\$752,622	\$711,235	\$341,388	-52.0%			
TOTAL	\$26,871,710	\$27,429,315	\$25,741,401	-6.2%			

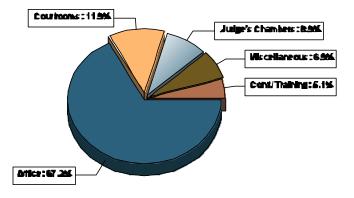
# S pace Planning

The Bankruptcy Court rents approximately 459,064 square feet of space from the General Services Administration (GSA). (GSA is the landlord for all government owned and leased space.) GSA's responsibilities include rent negotiations, lease awards, tenant improvements and alterations, and daily maintenance. The graphs below delineate the square footage of space rented for each division and the percentage of space district-wide used for courtrooms, judges' chambers, office space, conference and training facilities, and miscellaneous uses (which includes restrooms, hallways, and storage space).

# Square Footage By Division Central District of California (1999)



#### Facilities Make-Up Central District of California (1999)





### **Board of Judges**

The Board of Judges consists of all the bankruptcy judges in the Central District of California. The purpose of the Board of Judges, as outlined in the Court Governance Plan, is to set Court policy.

### **Chief Judge**

Currently, the term of the Chief Judge is three years with two consecutive terms allowed. The Chief Judge, appointed by the District Court, has many diverse duties that include:

- ! Monitoring case management systems, identifying problems, and initiating changes (with consultation of the appropriate committees) as required to facilitate the effective and expeditious handling of Court business
- ! Serving as spokesperson for the Court
- ! Calling regular meetings of all the judges
- ! Creating judicial committees
- ! Supervising the actions of the Clerk of Court

### Office of the Executive Officer/Clerk

The Clerk of the Bankruptcy Court is appointed by the bankruptcy judges in the Central District and serves an indefinite term. The Clerk has many diverse duties that include:

- ! Directing all aspects of the Clerk's Office, including the development of policies and procedures
- ! Formulating and executing the Court's budget

- ! Providing case administration support
- ! Managing space, facilities, automation, and other resources of the Court
- ! Recruiting, hiring, and discharging personnel in the Clerk's Office
- ! Advising the Board of Judges and the Chief Judge on administrative and policy matters
- ! Acting as the office liaison with civic, community, and professional organizations

The Clerk's Office is organized into three divisions: Operations, Court Resources and Administration.

### **Operations**

In each of the five divisions, Operations is responsible for the day-to-day case management activities of the Clerk's Office and support for judges' hearings. Operations handles: the acceptance of case filings and subsequent documents, docketing and imaging of filed documents, tracking of cases, sending notices, responding to inquiries from the public, retrieving and archiving case files, as well as interfiling documents into them, calendaring hearings, electronic recording of hearings, support of courtroom activities including video conferenced hearings, support for the general management of the Court's caseload, and closure of cases. Also part of Operations, but performing administrative functions in support of all the divisions, are the Analysis & Information Department and the Quality Assurance/Training Department.

### **Analysis & Information**

Analysis & Information performs a wide range of administrative tasks. Some of these tasks include: developing and assessing procedures, operating methods, and work flow; making recommendations for improvements to existing procedures; establishing performance standards and monitoring performance; compiling statistical information regarding filings, closings and case management; and providing information to the public. Analysis & Information also prepares a wide variety of reports, as well as a wide range of public and internal documents in the district.

### **Quality Assurance/Training**

The Quality Assurance/Training Department analyzes data and makes recommendations for improving quality control, conducts training in selected areas, and coordinates district-wide training.

### **Court Resources**

Court Resources is responsible for the administration of the Court's personnel through the Human Resources Section, as well as formulating and monitoring the Court's budget.

### **Human Resources**

Responsibilities of Human Resources include: recruitment; classification; compensation; benefits administration; processing of all personnel actions and maintenance of all personnel records; providing guidance to management and staff in the interpretation and administration of personnel policies; coordination and monitoring of employee performance evaluations; updating and maintaining the Court's *Personnel Handbook* and other Human Resources publications; coordination of special ceremonies and awards; and ensuring adherence to the tenets of the Court's Employment Dispute Resolution (EDR) Plan and Equal Opportunity Employment (EEO) policies and preparing the Court's annual (EDR) report.

### **Budget**

The Budget section develops budget estimates to fund all operating costs of the Court, prepares the overall budget summary justification, develops and monitors the Court's budget and spending plan, prepares justifications for supplemental requests of additional allotments, prepares and oversees the preparation of recurring reports of obligations and expenditures, and monitors the fiscal and procurement activities that affect the budget process.

#### Communications

The Communications Department is responsible for district-wide forms, publications, judicial logistics, public relations, electronic communications, call management, the Court's web site, and coordination of special events.

#### Administration

The administrative functions of the Clerk's Office are handled by the following areas: Information Technology, Systems Integration, Financial Services, Office Services, and Space Planning. The services provided by each Division are outlined below.

### Information Technology

The Information Technology Division provides automation support for the Court and the Clerk's Office, such as maintaining and developing the Court's automated systems, including: the case management system (NIBS); the cashiering and case opening system (ICS); the case file inventory system (VRMS); and the systems providing public access to automated case information and other data, such as webPACER, kiosks, and computers in public areas.

### **Systems Integration**

The Systems Integration Division was created to integrate new technology into existing functions. The Division now handles the network, imaging software and hardware, telephone systems, video conferencing system, fixed-asset tracking software (IntelliTrack), and personnel tracking software (Abra).

#### Financial Services

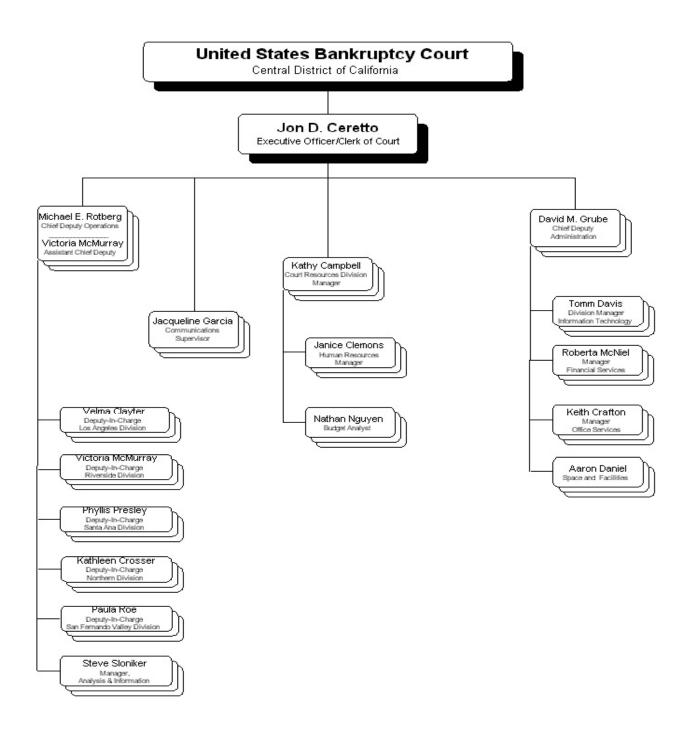
The Financial Services Department is responsible for the fiscal and audit functions of the Court and the Clerk's Office. This includes such activities as maintaining all financial records of funds received into the Court, as well as accounts payable.

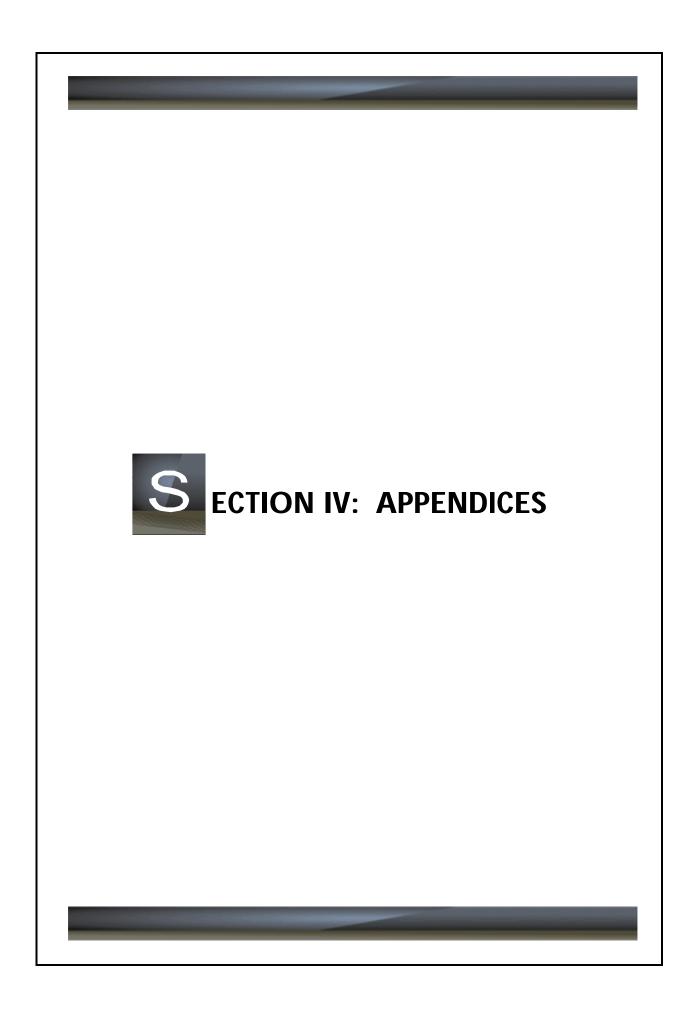
### **Office Services**

Office Services is responsible for the purchasing of all supplies and services required for the operation of the Court and the Clerk's Office, including consumable supplies, furniture, equipment, forms, and services. For the Los Angeles Division, Office Services also handles the distribution of interoffice mail. The Department is also responsible for maintaining the inventory of all fixed assets owned by the Court. In addition, Office Services coordinates all daily maintenance of court facilities with GSA.

### **Space Planning**

Space Planning is responsible for all of the leased office and judicial space in the Central District. This includes ensuring that the current space is adequate for the needs of the staff and monitoring all phases of new Court projects from conceptual design and development to the completion and review of construction documents.







# ong Range Plan

First issued in April 1994, the *Long Range Plan* for the Central District of California was revised in April 1998. In the revised Plan, priorities were established with a focus primarily in the area of case management. Other issues were deleted or revised to reflect the introduction of automation and other changes in the Court and surrounding communities.

Accomplishments in the various categories of the *Long Range Plan* are included in the *Annual Reports* of the Court for the years 1994 through this issue. The goals of the *Long Range Plan* are outlined as follows:

Long Range Plan Priorities - page 73
Leadership - page 75
Ethics and Standards of Conduct - page 76
Case Management - page 77
Community Relations - page 80
Human Resources - page 82
Space Planning - page 85

In addition, the Court has assigned the highest priority to the following objectives:

CM2E: Convert to one uniform automated case management

system for the entire district.

CM2B: Determine the feasibility of, and develop an approach for,

creating a "paperless" Court through the use of an

electronic case filing system.

CM4C: Review and determine the feasibility and desirability of

accepting filings by fax.

CM4B: Implement an electronic files system within the Court to

make documents available online to all interested parties.

CR3D: Initiate and maintain a regular liaison with local members of

Congress.

CR4A: Create and staff an ombudsperson position in each Division

to assist the public with legal or procedural questions that

the Clerk and his staff are prohibited from answering.

CR4B: Establish a pro bono program at each Divisional Office

location.

## **LEADERSHIP**

	GOAL/OBJECTIVE - LONG RANGE PLAN				
	GOAL LD: LEADERSHIP				
LD1	Enhance leadership skills throughout the Court.	Ongoing			
LD2	Increase effectiveness of the Court's communication and working relationships with other federal courts, agencies, and Congress.	Ongoing			
LD3	Improve communication and relations with state courts and legislative branches.	Ongoing			
LD4	Initiate and formalize cooperative efforts with professional organizations and groups.	Ongoing			

# ETHICS AND STANDARDS OF CONDUCT

	ACCOMPLISHED THROUGH 1999	
	GOAL ES: ETHICS AND STANDARDS OF CONDUCT	Г
ES1	Provide an impartial Court environment to all users.	Ongoing
ES2	Foster a workplace free of bias.	Ongoing
ES3	Foster a courtroom environment free of bias.	Ongoing
ES4	Foster civility within the courtroom environment.	Ongoing

## **CASE MANAGEMENT**

	ACCOMPLISHED THROUGH 1999					
Maximize t	GOAL CM1: CASE MANAGEMENT  Maximize the Court's efficiency in case processing, while maintaining or improving quality and accuracy.					
	Short Term Objectives					
CM1A	Institute ongoing communication among judges, judicial staff, and Clerk's Office regarding expectations, progress, and case processing performance.	Ongoing				
	Long Term Objectives					
CM1B	Develop and implement district-wide quality control program to monitor and evaluate case management functions.	Ongoing				
CM1C	CM1C Develop and implement a fully automated and integrated bankruptcy fiscal system.					
	GOAL CM2: CASE MANAGEMENT Reduce delay in all phases of case processing.					
	Long Term Objectives					
CM2A	Expand and enhance automated docketing.	Ongoing				
CM2B	Determine the feasibility of, and develop an approach for, creating a "paperless" Court through the use of an electronic case filing system.					
CM2C	Develop and implement "file anywhere, anytime" policy.					
CM2D	CM2D Develop and implement "Windows-based" case management system.					
CM2E	CM2E Convert to one uniform automated case management system for the entire district.					

	1							
CM2F	Review and evaluate performance of all case processing functions: opening, docketing, noticing, filing, calendaring, handling correspondence, conforming copies, recording proceedings, retrieval of and routing files to judges, and closing.							
CM2G	Eliminate or reduce redundancies and delay points in the processing of cases.							
	GOAL CM3: CASE MANAGEMENT Improve efficiency in calendar management for the Bench an	d Bar.						
	Short Term Objectives							
СМЗА	Implement court-wide, uniform self-calendaring system.	Completed						
	Long Term Objectives							
СМЗВ	Develop uniform system for early publication of tentative rulings.	Ongoing						
	GOAL CM4: CASE MANAGEMENT Provide automated access to Court services and information	on.						
	Ongoing Objectives							
CM4A	Implement video conferencing pilot project in at least four divisional offices within the district.	Completed						
CM4B	Implement an electronic files system within the Court to make documents available online to all interested parties.	Completed						
CM4C	Review and determine the feasibility and desirability of accepting filings by fax.							
CM4D	Develop and implement an automated system to provide case information.	Completed						
CM4E	Develop and implement an automated system to provide calendar information and self-calendaring capability.	Ongoing						
CM4F	Develop an online universal forms catalog.	Completed						
CM4G Develop a cross-referenced topical index system for Court committee and Board of Judges discussions and actions to track issues, decisions, and implementation.								

	GOAL CM5: CASE MANAGEMENT Make the Court rules more user friendly.				
	Ongoing Objectives				
CM5A	Revise, simplify, and renumber the Local Rules. Coordinate with the District, Circuit, and National Advisory Committee on Bankruptcy Rules projects regarding local rule organizational structure.	Completed			

# **COMMUNITY RELATIONS**

	GOAL/OBJECTIVE - LONG RANGE PLAN	ACCOMPLISHED THROUGH 1999			
F	GOAL CR1: COMMUNITY RELATIONS  Recognize and serve the needs of our demographically diverse community.				
	Short Term Objectives				
CR1A	Establish relationship with minority and culturally diverse bar organizations.	Ongoing			
CR1B	Make frequently-used informational documents available in multiple languages.	Ongoing			
	Long Term Objectives				
CR1C	CR1C Determine information needs of community via surveys, focus groups, and interviews.				
	Ongoing Objectives				
CR1D	Make translation services available, as feasible.				
	GOAL CR2: COMMUNITY RELATIONS Improve communications with the public.				
	Ongoing Objectives				
CR2A	Initiate periodic, outside input on Court operations.				

	GOAL CR3: COMMUNITY RELATIONS  Develop public education program.						
	Short Term Objectives						
CR3A	CR3A Conduct evaluation of public education needs concerning bankruptcy related issues and recommend solutions.						
	Long Term Objectives						
CR3B	CR3B Establish regular communication with and provide appropriate bankruptcy-related educational materials and programs to community groups and educational institutions.						
	Ongoing Objectives						
CR3C	Explore opportunities and make available Court representatives to participate in the education of the public concerning issues related to bankruptcy.						
CR3D	D Initiate and maintain a regular liaison with local members of Congress.						
	GOAL CR4: COMMUNITY RELATIONS  Make all Court procedures/processes accessible to all users o	f the Court.					
	Long Term Objectives						
CR4A	Create and staff an ombudsperson position in each division to assist the public with legal or procedural questions that the Clerk and his staff are prohibited from answering.						
CR4B Establish a <i>pro bono</i> program at each divisional office location.							

# **HUMAN RESOURCES**

	ACCOMPLISHED THROUGH 1999				
Attract	GOAL HR1: HUMAN RESOURCES  Attract and retain a fully competent, well-trained, and highly motivated employee force.				
	Long Term Objectives				
HR1A	Establish accurate, specific, uniform, and comprehensive job descriptions and recruitment bulletins.	Ongoing			
HR1B	Develop training programs to instill problem-solving orientation.	Ongoing			
HR1C	Develop and implement an online training system covering all automated system applications used by the Court.				
HR1D	Create a training program for all employees regarding the Code of Conduct for United States Court Clerks.				
	Ongoing Objectives				
HR1E	Develop in-house training programs to prepare employees for broader technical, analytical, and managerial responsibilities.	Ongoing			
HR1F	Continue the development of training programs to further develop employee job skills.	Ongoing			
HR1G	Increase training and development of leadership skills at <u>all</u> levels.	Ongoing			
HR1H	Increase training to develop written communication skills at all levels.	Ongoing			
HR1I	Train employees to recognize and effectively deal with cultural diversity.	Ongoing			
HR1J	Train employees on providing helpful and courteous service.	Ongoing			
HR1K	Provide increased staff education about importance and role of bankruptcy system in general economy and legal system, tying that education to importance of job performance for real-life concerns of users.	Ongoing			

GOAL HR2: HUMAN RESOURCES Improve performance and productivity efforts.						
	Long Term Objectives					
HR2A	mprove the performance evaluation process. Ongoing					
HR2B	Establish performance standards.	Ongoing				
HR2C	Develop procedure manual for each position as training tool to encourage uniformity and facilitate establishing performance standards.	Ongoing				
HR2D	Establish consistent performance expectations and measurements for all positions.	Ongoing				
HR2E	HR2E Establish job performance self-evaluation as part of performance review process.					
	Ongoing Objectives					
HR2F	Monitor and support the transition to automation.	Ongoing				
HR2G	HR2G Develop and implement a program to enhance employee job satisfaction. Ongoing					
	GOAL HR3: HUMAN RESOURCES Improve employee communications and relations.					
	Short Term Objectives					
HR3A	Create employee feedback mechanisms.	Ongoing				
	Long Term Objectives					
HR3B	HR3B Clarify role definition for chambers and courtroom staff, including Courtroom Deputies, Judicial Assistants, Law Clerks, Electronic Court Recording Operators, and Relief Courtroom Deputies.					
HR3C Develop and implement employee orientation program for Clerk's Office and Chambers staff.						
Ongoing Objectives						
HR3D	HR3D Improve upward and downward communications among divisions and between divisional offices.					

GOAL HR4: HUMAN RESOURCES  Provide equal employment opportunity, and maintain an employee force that reflects the diverse population we serve.						
	Short Term Objectives					
HR4A Provide multilingual service capability (e.g., bilingual staff). Ongoing						
	Ongoing Objectives					
HR4B	HR4B Improve human resource programs that ensure parity between the employee force and the labor force.					
	GOAL HR5: HUMAN RESOURCES Update human resource practices.					
	Short Term Objectives					
HR5A Compare current personnel practices to personnel practices of other organizations and identify possible improvements in each practice.						

# **SPACE PLANNING**

	ACCOMPLISHED THROUGH 1999					
	GOAL SF1: SPACE PLANNING  Make facilities more accessible to users.					
SF1A	Establish automated information systems in Court lobbies for tentative rulings and Court calendar information.	Ongoing				
SF1B	Establish <i>pro bono</i> lawyer consultation rooms in Court intake offices.					
SF1C	SF1C Factor technology needs of public users into the development of facilities (for example, space for portable terminals, copiers).					
In	GOAL SF2: SPACE PLANNING crease effectiveness of long-range planning efforts for space a	nd facilities.				
SF2A	Advocate revision of A.O. Design Guides, and GSA Standards & Guidelines regarding employee break rooms and restrooms, size of courtrooms, public space areas for high volume Courts, pro bono lawyer consultation facilities, and handicapped access (including hearing and visually impaired).	Ongoing				
SF2B	Develop procedures to create a security system that protects Court documents and property.	Ongoing				



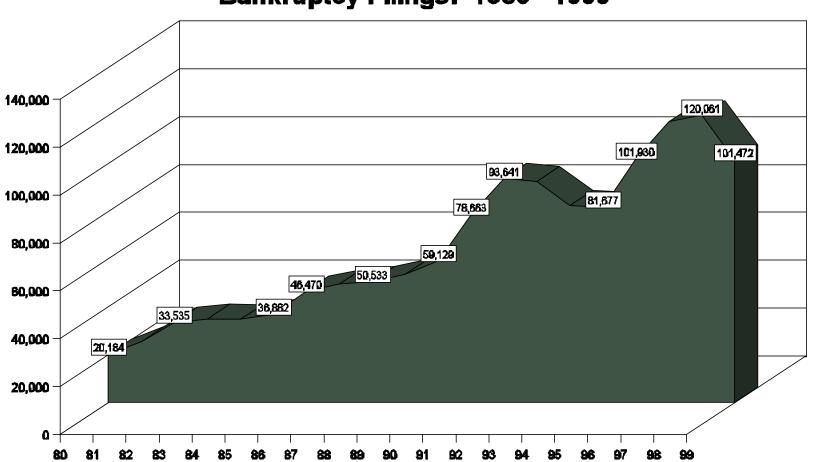
# ist of Exhibits

- Exhibit 1 Bankruptcy Filings: 1980-1999
- Exhibit 2 Bankruptcy Filings by Month: 1994-1999
- Exhibit 3 Bankruptcy Filings by Chapter: 1980-1999
- Exhibit 4 Los Angeles Division, Filings by Chapter: 1980-1999
- Exhibit 5 Riverside Division, Filings by Chapter: 1980-1999
- Exhibit 6 Santa Ana Division, Filings by Chapter: 1980-1999
- Exhibit 7 Northern Division, Filings by Chapter: 1992-1999
- Exhibit 8 San Fernando Valley, Filings by Chapter: 1994-1999
- **Exhibit 9 Bankruptcy Filings and Percentage Change: 1980-1999**
- **Exhibit 10 Monthly Closing Performance: Chapter 7 Cases**
- **Exhibit 11 Comparison of Cases Filed and Cases Closed: 1999**
- Exhibit 12 Percent of District's Filings by Division
- Exhibit 13 Comparison of Bankruptcy Filings 1998 vs. 1999
- Exhibit 14 Comparison of Bankruptcy Closings 1998 vs. 1999
- Exhibit 15 Comparison of Adversaries Filed and Adversaries Closed: 1994-1999
- Exhibit 16 Pending Caseload by Division: 1995-1999

**Exhibit 1** 

Central District of California

Bankruptcy Filings: 1980 - 1999



**Exhibit 2** 

# Central District of California Bankruptcy Filings by Month: 1994-1999

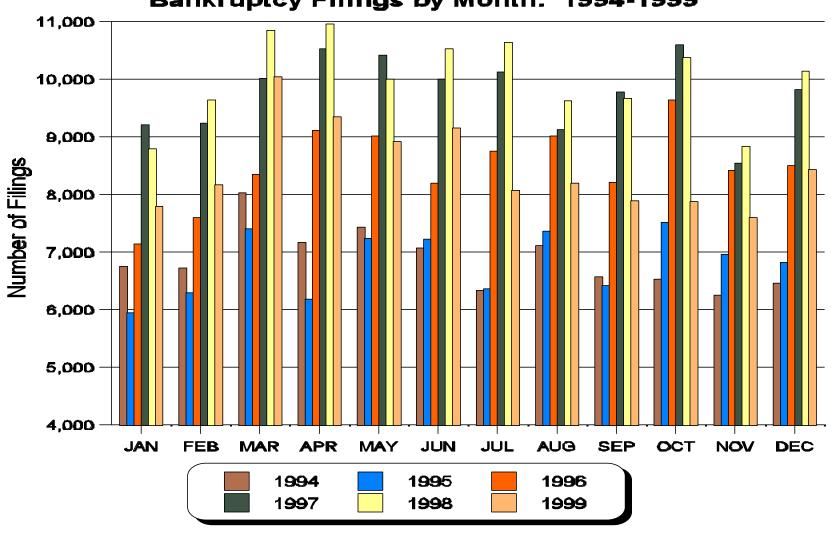
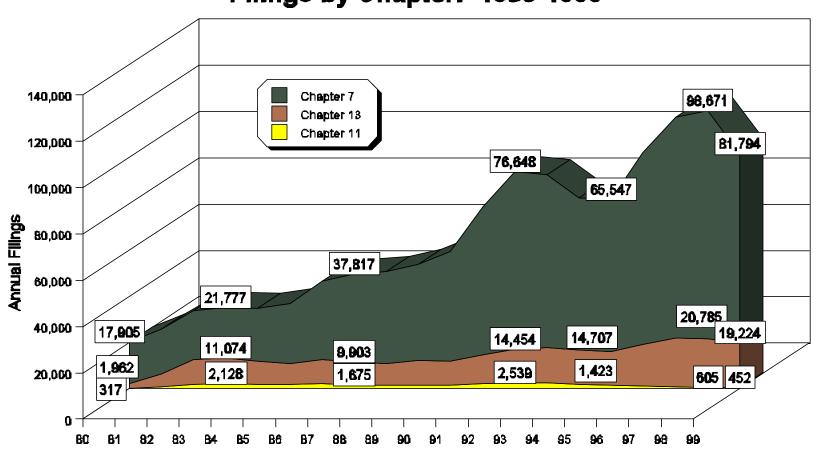


Exhibit 3

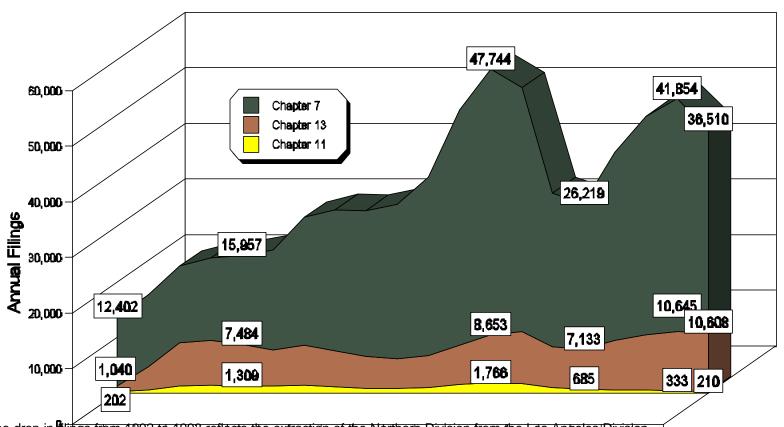
# Central District of California Filings by Chapter: 1980-1999



**Exhibit 4** 

# **Los Angeles Division**

Filings by Chapter: 1980-1999



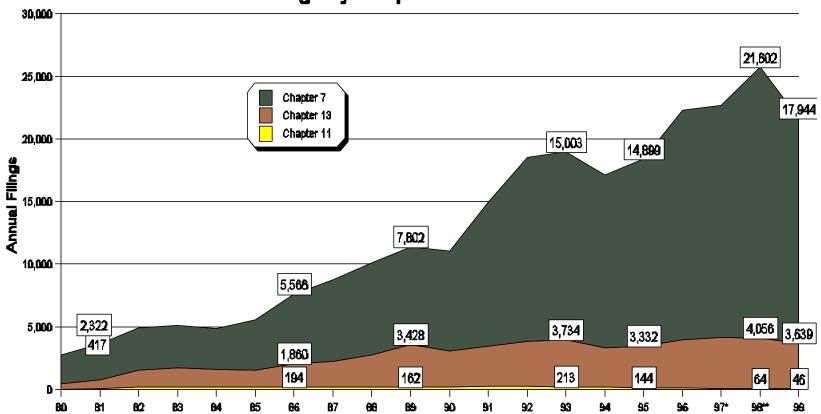
<sup>\*</sup>The drop in Hillings from 1992 to 1998 reflects the extraction of the Northern Division from the Los Angeles Division.

<sup>\*\*</sup>The drop in f86ings 86from 8299383 o 1994 re65ects 86ne 67trac66on 669the 95an 154rna 962to 1934 leg 429 vises on from the 100 log 1

Exhibit 5

### **Riverside Division**

Filings by Chapter: 1980-1999



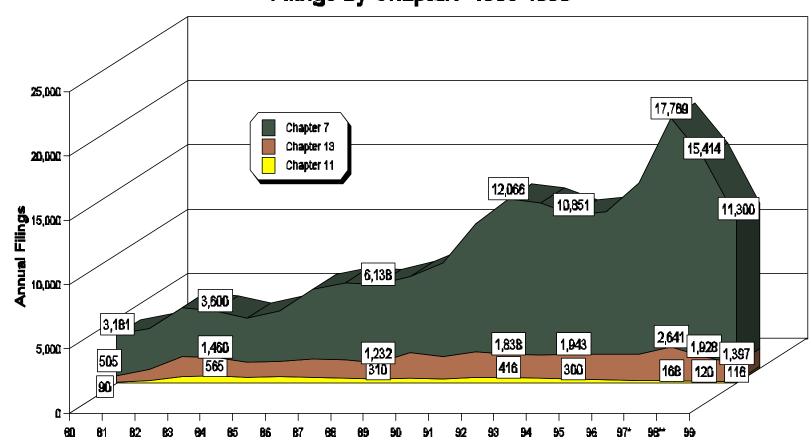
<sup>\*</sup>In March 1997, 12 zip codes were reassigned from the Riverside Division to the Santa Ana Division.

<sup>\*\*</sup>In April 1998, the 12 zip codes were returned to the Riverside Division.

**Exhibit 6** 

# **Santa Ana Division**

Filings by Chapter: 1980-1999



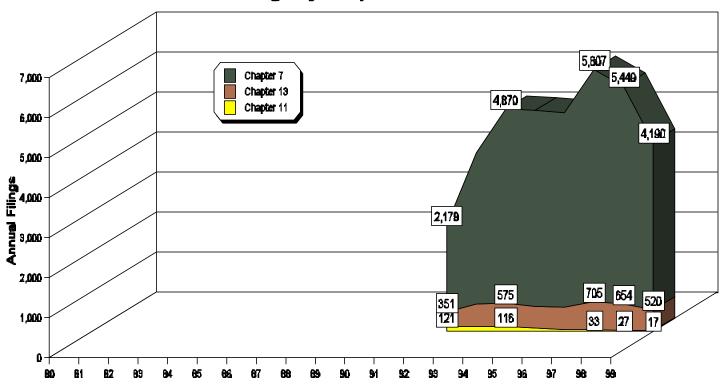
<sup>\*</sup>In March 1997, 12 zip codes were reassigned from the Riverside Division to the Santa Ana Division.

<sup>\*\*</sup>In April 1998, the12 zip codes were returned to the Riverside Division.

Exhibit 7

### **Northern Division**

Filings by Chapter: 1992-1999\*

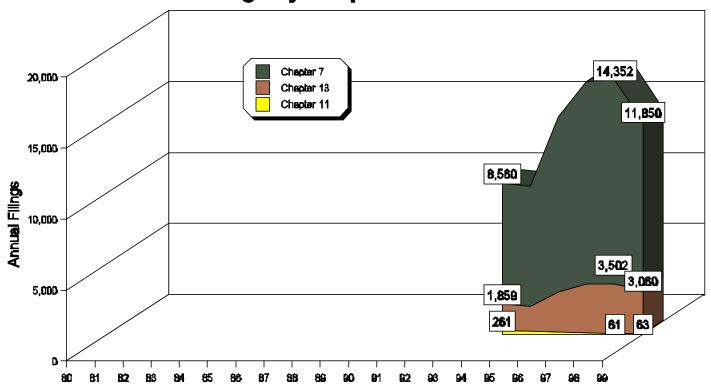


<sup>\*</sup>Filings prior to June 1992 were included in Los Angeles Division. (See Exhibit 4.)

**Exhibit 8** 

# **San Fernando Valley Division**

Filings by Chapter: 1994-1999\*



<sup>\*</sup>Filings prior to 1994 were included in Los Angeles Division. (See Exhibit 4.)

Exhibit 9
Bankruptcy Filings and Percentage Change: 1980-1999

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
			CENTRAL		OF CALIFOR			
1980	17,905	N/A	317	N/A	1,962	N/A	20,184	N/A
1981	19,087	6.6%	787	148.3%	5,723	191.7%	25,597	26.8%
1982	20,985	9.9%	2,022	156.9%	10,528	84.0%	33,535	31.0%
1983	21,777	3.8%	2,128	5.2%	11,074	5.2%	34,979	4.3%
1984	22,669	4.1%	2,003	-5.9%	10,001	-9.7%	34,673	-0.9%
1985	25,927	14.4%	1,937	-3.3%	9,018	-9.8%	36,882	6.4%
1986	33,943	30.9%	2,082	7.5%	10,445	15.8%	46,470	26.0%
1987	37,817	11.4%	1,675	-19.5%	9,903	-5.2%	49,395	6.3%
1988	39,665	4.9%	1,358	-18.9%	9,510	-4.0%	50,533	2.3%
1989	41,556	4.8%	1,391	2.4%	10,662	12.1%	53,609	6.1%
1990	47,370	14.0%	1,478	6.3%	10,281	-3.6%	59,129	10.3%
1991	64,090	35.3%	2,268	53.5%	12,305	19.7%	78,663	33.0%
1992	76,648	19.6%	2,539	11.9%	14,454	17.5%	93,641	19.0%
1993	74,528	-2.8%	2,421	-4.6%	15,343	6.2%	92,292	-1.4%
1994	65,828	-11.7%	1,792	-26.0%	14,808	-3.5%	82,428	-10.7%
1995	65,547	-0.4%	1,423	-20.6%	14,707	-0.7%	81,677	-0.9%
1996	82,760	26.3%	1,026	-27.9%	18,144	23.4%	101,930	24.8%
1997	95,572	15.5%	886	-13.6%	20,860	15.0%	117,318	15.1%
1998	98,671	3.2%	605	-31.7%	20,785	-0.4%	120,061	2.3%
1999	81,794	-17.1%	452	-25.3%	19,224	-7.5%	101,470	-15.5%
			Lo	os Angeles	Division			
1980	12,402	N/A	202	N/A	1,040	N/A	13,644	N/A
1981	13,023	5.0%	508	151.5%	4,162	300.2%	17,693	29.7%
1982	13,838	6.3%	1,291	154.1%	7,655	83.9%	22,784	28.8%
1983	14,795	6.9%	1,361	5.4%	8,074	5.5%	24,230	6.3%
1984	15,957	7.9%	1,309	-3.8%	7,484	-7.3%	24,750	2.1%
1985	18,018	12.9%	1,263	-3.5%	6,473	-13.5%	25,754	4.1%
1986	22,974	27.5%	1,426	12.9%	7,164	10.7%	31,564	22.6%
1987	25,374	10.4%	1,125	-21.1%	6,392	-10.8%	32,891	4.2%
1988	26,157	3.1%	884	-21.4%	5,709	-10.7%	32,750	-0.4%
1989	27,797	6.3%	867	-1.9%	5,247	-8.1%	33,911	3.5%
1990	32,078	15.4%	1,005	15.9%	5,659	7.9%	38,742	14.2%
1991	42,723	33.2%	1,583	57.5%	7,063	24.8%	51,369	32.6%
1992	47,744	11.8%	1,766	11.6%	8,653	22.5%	58,163	13.2%
1993	43,875	-8.1%	1,693	-4.1%	9,281	7.3%	54,849	-5.7%
1994	27,701	-36.9%	930	-45.1%	7,308	-21.3%	35,939	-34.5%
1995	26,219	-5.4%	685	-26.3%	7,133	-2.4%	34,037	-5.3%
1996	33,873	29.2%	493	-28.0%	8,917	25.0%	43,283	27.2%
1997	39,217	15.8%	486	-1.4%	10,018	12.3%	49,721	14.9%
1998	41,854	6.7%	333	-31.5%	10,645	6.3%	52,832	6.3%
1999	36,510	-12.8%	210	-36.9%	10,608	-0.3%	47,328	-10.4%
1001	0.500	N174			alley Division	11/4	10000	N1/4
1994	8,560	N/A	261	N/A	1,859	N/A	10,680	N/A
1995	8,449	-1.3%	231	-11.5%	1,762	-5.2%	10,442	-2.2%
1996	12,360	46.3%	159	-31.2%	2,808	59.4%	15,327	46.8%
1997	14,287	15.6%	123	-22.6%	3,407	21.3%	17,817	16.2%
1998	14,352	0.5%	61	-50.4%	3,502	2.8%	17,915	0.6%
1999	11,850	-17.4%	63	3.3%	3,060	-12.6%	14,973	-16.4%

### **Bankruptcy Filings and Percentage Change: 1980-1999 (Continued)**

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
				Riverside D	Division			
1980	2,322	N/A	25	N/A	417	N/A	2,764	N/A
1981	2,861	23.2%	91	264.0%	696	66.9%	3,648	32.0%
1982	3,361	17.5%	200	119.8%	1,354	94.5%	4,915	34.7%
1983	3,382	0.6%	202	1.0%	1,540	13.7%	5,124	4.3%
1984	3,248	-4.0%	220	8.9%	1,384	-10.1%	4,852	-5.3%
1985	3,983	22.6%	194	-11.8%	1,363	-1.5%	5,540	14.2%
1986	5,566	39.7%	194	0.0%	1,860	36.5%	7,620	37.5%
1987	6,463	16.1%	166	-14.4%	2,091	12.4%	8,720	14.4%
1988	7,370	14.0%	164	-1.2%	2,569	22.9%	10,103	15.9%
1989	7,802	5.9%	162	-1.2%	3,428	33.4%	11,392	12.8%
1990	7,978	2.3%	164	1.2%	2,903	-15.3%	11,045	-3.0%
1991	11,449	43.5%	228	39.0%	3,249	11.9%	14,926	35.1%
1992	14,659	28.0%	236	3.5%	3,612	11.2%	18,507	24.0%
1993	15,003	2.3%	213	-9.7%	3,734	3.4%	18,950	2.4%
1994	13,846	-7.7%	185	-13.1%	3,123	-16.4%	17,154	-9.5%
1995	14,899	7.6%	144	-22.2%	3,332	6.7%	18,375	7.1%
1996	18,374	23.3%	114	-20.8%	3,836	15.1%	22,324	21.5%
1997	18,492	0.6%	76	-33.3%	4,089	6.6%	22,657	1.5%
1998	21,602	16.8%	64	-15.8%	4,056	-0.8%	25,722	13.5%
1999	17,944	-16.9%	46	-28.1%	3,639	-10.3%	21,629	-15.9%
1999	17,344	-10.9/6	l .			-10.3 /6	21,029	-13.976
4000	2.404	NI/A		Santa Ana		NI/A	0.770	NI/A
1980	3,181	N/A	90	N/A	505	N/A	3,776	N/A
1981	3,203	0.7%	188	108.9%	865	71.3%	4,256	12.7%
1982	3,786	18.2%	531	182.4%	1,519	75.6%	5,836	37.1%
1983	3,600	-4.9%	565	6.4%	1,460	-3.9%	5,625	-3.6%
1984	3,464	-3.8%	474	-16.1%	1,133	-22.4%	5,071	-9.8%
1985	3,926	13.3%	480	1.3%	1,182	4.3%	5,588	10.2%
1986	5,403	37.6%	462	-3.8%	1,421	20.2%	7,286	30.4%
1987	5,980	10.7%	384	-16.9%	1,420	-0.1%	7,784	6.8%
1988	6,138	2.6%	310	-19.3%	1,232	-13.2%	7,680	-1.3%
1989	5,957	-2.9%	362	16.8%	1,987	61.3%	8,306	8.2%
1990	7,314	22.8%	309	-14.6%	1,719	-13.5%	9,342	12.5%
1991	9,918	35.6%	457	47.9%	1,993	15.9%	12,368	32.4%
1992	12,066	21.7%	416	-9.0%	1,838	-7.8%	14,320	15.8%
1993	11,874	-1.6%	393	-5.5%	1,762	-4.1%	14,029	-1.4%
1994	10,851	-8.6%	300	-23.7%	1,943	10.3%	13,094	-6.7%
1995	11,088	2.2%	285	-5.0%	1,932	-0.6%	13,305	1.6%
1996	13,292	19.9%	213	-25.3%	2,034	5.3%	15,539	16.8%
1997	17,769	33.7%	168	-21.1%	2,641	29.8%	20,578	32.4%
1998	15,414	-13.3%	120	-28.6%	1,928	-27.0%	17,462	-15.1%
1999	11,300	-26.7%	116	-3.3%	1,397	-27.5%	12,813	-26.6%
				Northern D				
1992	2,179	N/A	121	N/A	351	N/A	2,651	N/A
1993	3,776	73.3%	122	0.8%	566	61.3%	4,464	68.4%
1994	4,870	29.0%	116	-4.9%	575	1.6%	5,561	24.6%
1995	4,892	0.5%	78	-32.8%	548	-4.7%	5,518	-0.8%
1996	4,861	-0.6%	47	-39.7%	549	0.2%	5,457	-1.1%
1997	5,807	19.5%	33	-29.8%	705	28.4%	6,545	19.9%
1998	5,449	-6.2%	27	-18.2%	654	-7.2%	6,130	-6.3%
1999	4,190	-23.1%	17	-37.0%	520	-20.5%	4,727	-22.9%

NOTE: In March 1997, 12 zip codes were reassigned from the Riverside Division to the Santa Ana Division. In April 1998, those 12 zip codes were returned to the Riverside Division.

Exhibit 10

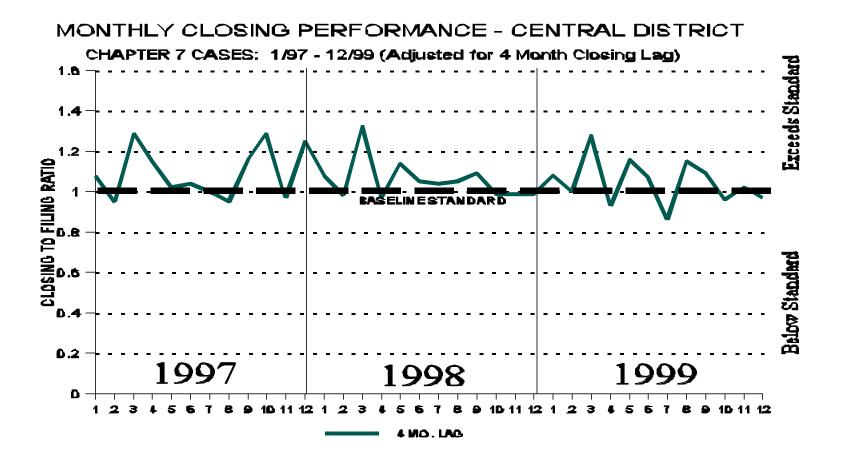


Exhibit 11

# Comparison of Cases Filed and Cases Closed: 1999 Central District of California

		Contrar District of Camerina					
Chapter	Total Filed	Total Closed	Difference	Ratio (Closing/Filings)			
		DISTRIC	CT				
07	81,794	93,238	11,444	1.14			
11	452	645	193	1.43			
12	2	5	3	2.50			
13	19,224	17,848	-1,376	0.93			
Total	101,472	111,736	10,264	1.10			
Los Angeles Division							
07	36,510	40,013	3,503	1.10			
11	210	320	110	1.52			

Los Angeles Division						
07	36,510	40,013	3,503	1.10		
11	210	320	110	1.52		
12	0	1	1	N/A		
13	10,608	9,947	-661	0.94		
Total	47,328	50,281	2,953	1.06		

Riverside Division						
07	17,944	21,599	3,655	1.20		
11	46	41	-5	0.89		
12	2	3	1	1.50		
13	3,639	3,190	-449	0.88		
Total	21,631	24,833	3,202	1.15		

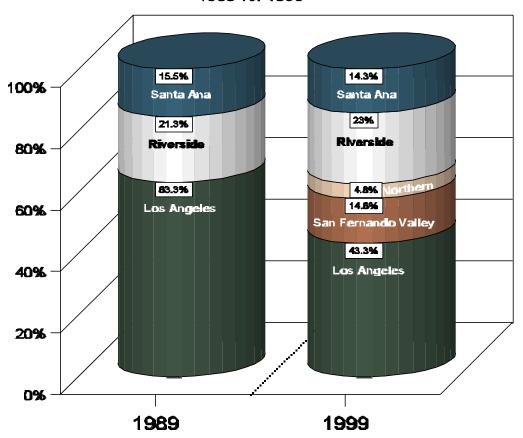
Santa Ana Division						
07	11,300	12,479	1,179	1.10		
11	116	163	47	1.41		
12	0	0	0	0.00		
13	1,397	1,566	169	1.12		
Total	12,813	14,208	1,395	1.11		

Northern Division						
07	4,190	5,345	1,155	1.28		
11	17	36	19	2.12		
12	0	1	1	N/A		
13	520	559	39	1.08		
Total	4,727	5,941	1,214	1.26		

San Fernando Valley Division						
07	11,850	13,802	1,952	1.17		
11	63	85	22	1.35		
12	0	0	0	N/A		
13	3,060	2,586	-474	0.85		
Total	14,973	16,473	1,500	1.10		

Exhibit 12

### Percent of District's Filings by Division\* 1989 vs. 1999



<sup>\*</sup>The Northern and San Fernando Valley Divisions were separated from the Los Angeles Division in 1992 and 1994, respectively.

Exhibit 13

### CENTRAL DISTRICT OF CALIFORNIA Comparison of Bankruptcy Filings 1998 vs. 1999

Chapter	1998	1999	% Chg				
	DISTRICT						
07	98,671	81,794	-17.1%				
11	605	452	-25.3%				
13	20,785	19,224	-7.5%				
Total	120,061	101,470	-15.5%				

Los Angeles Division					
07	41,854	36,510	-12.8%		
11	333	210	-36.9%		
13	10,645	10,608	-0.3%		
Total	52,832	47,328	-10.4%		

Riverside Division*					
07	21,602	17,944	-16.9%		
11	64	46	-28.1%		
13	4,056	3,639	-10.3%		
Total	25,722	21,629	-15.9%		

Santa Ana Division*					
07	15,414	11,300	-26.7%		
11	120	116	-3.3%		
13	1,928	1,397	-27.5%		
Total	17,462	12,813	-26.6%		

Northern Division					
07	5,449	4,190	-23.1%		
11	27	17	-37.0%		
13	654	520	-20.5%		
Total	6,130	4,727	-22.9%		

San Fernando Valley Division						
07	14,352	11,850	-17.4%			
11	61	63	3.3%			
13	3,502	3,060	-12.6%			
Total	17,915	16,473	-8.0%			

### Exhibit 14

### CENTRAL DISTRICT OF CALIFORNIA Comparison of Bankruptcy Closings 1998 vs. 1999

Chapter	1998	1999	% Chg				
DISTRICT							
07	104,066	93,238	-11.6%				
11	945	645	-31.7%				
13	16,855	17,848	5.9%				
Total	121,866	111,731	-8.3%				

Los Angeles Division					
07	43,594	40,013	-8.2%		
11	415	320	-22.9%		
13	7,525	9,947	32.2%		
Total	51,534	50,280	-2.4%		

Riverside Division						
07	20,323	21,599	6.3%			
11	66	41	-37.9%			
13	3,976	3,190	-19.8%			
Total	24,365	24,830	1.9%			

Santa Ana Division						
07	18,607	12,479	-32.9%			
11	233	163	-30.0%			
13	2,049	1,566	-23.6%			
Total	20,889	14,208	-32.0%			

Northern Division						
07	6,294	5,345	-15.1%			
11	11 44		-18.2%			
13	652	559	-14.3%			
Total	6,990	5,940	-15.0%			

San Fernando Valley Division						
07	15,248	13,802	-9.5%			
11	187	85	-54.5%			
13	2,653	2,586	-2.5%			
Total	18,088	16,473	-8.9%			

<sup>\*</sup> In March 1997, 12 zip codes were reassigned from the Riverside Division to the Santa Ana Division and returned in April 1998.

Exhibit 15

# Central District of California Comparison of Adversaries Filed and Adversaries Closed: 1994-1999

Comparison of Adversaries Filed and Adversaries Closed: 1994-1999								
Year	Filed	% Chg	Closed	% Chg	Ratio (Closings/Filings)			
	DISTRICT							
1995	8,249	9.2%	13,277	37.4%	1.61			
1996	6,595	-20.1%	10,665	-19.7%	1.62			
1997	7,022	6.5%	7,841	-26.5%	1.12			
1998	5,920	-15.7%	7,804	5%	1.32			
1999	5,462	-7.7%	6,425	-17.7%	1.18			
			I as Augustas	Division				
1005	4 004	97.20/	Los Angeles		4 20			
1995 1996	4,881 2,995	87.2% -38.6%	6,752 6,434	44.2% -4.7%	1.38 2.15			
1996	3,032	1.2%	3,729	-4.7 % -42.0%	1.23			
1998	2,826	-6.8%	3,781	1.4%	1.34			
1999	•	Ì						
1999	2,485	-12.1%	3,049	-19.4%	1.23			
			Riverside D	ivision*				
1995	777	-60.5%	1,690	-11.7%	2.18			
1996	1,079	38.9%	1,119	-33.8%	1.04			
1997	1,010	-6.4%	1,541	37.7%	1.53			
1998	842	-16.6%	866	-43.8%	1.03			
1999	768	-8.8%	910	5.1%	1.18			
			Santa Ana F	)iviolon*				
1995	1,452	-6.9%	Santa Ana D	11.0%	1.17			
1995	1,432	-13.2%	1,703	-10.3%	1.21			
1997	1,415	12.2%	1,227	-10.3%	0.87			
1998	921	-34.9%	1,439	17.3%	1.56			
1999	1,101	16.3%	975	-32.2%	0.89			
1555	1,101	10.070	370	<b>UL.L</b> 70	0.03			
			Northern D	ivision				
1995	400	32.0%	600	70.0%	1.50			
1996	385	-3.8%	359	-40.2%	0.93			
1997	358	-7.0%	401	11.7%	1.12			
1998	333	-7.0%	448	11.7%	1.35			
1999	261	-21.6%	370	-17.4%	1.42			

	San Fernando Valley Division						
1995	739	-33.8%	2,530	114.2%	3.42		
1996	878	18.8%	1,223	-51.7%	1.39		
1997	1,207	37.5%	943	-22.9%	0.78		
1998	998	-17.3%	1,270	34.7%	1.27		
1999	847	-15.1%	1,121	-11.7%	1.32		

<sup>\*</sup> In March 1997, 12 zip codes were reassigned from the Riverside Division to the Santa Ana Division and returned in April 1998.

Exhibit 16

### Central District of California Pending Caseload by Division: 1995-1999\*

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total*	% Chg
DISTRICT								
1995	40,102	-10.8%	3,278	-31.2%	19,565	-18.2%	62,945	-14.5%
1996	42,645	6.3%	2,167	-33.9%	18,921	-3.3%	63,733	1.3%
1997	40,286	-5.5%	1,715	-20.9%	19,511	3.1%	61,512	-3.5%
1998	38,661	-4.0%	1,178	-31.3%	21,232	8.8%	61,071	-0.7%
1999	30,210	-21.9%	894	-24.1%	20,628	-2.8%	51,732	-15.3%
			Los	Angeles Di	vision			
1995	17,794	-4.1%	1,607	-31.8%	9,108	-18.8%	28,509	-11.2%
1996	16,147	-9.3%	830	-48.4%	8,290	-9.0%	25,267	-11.4%
1997	14,782	-8.5%	636	-23.4%	7,851	-5.3%	23,269	-7.9%
1998	14,680	-0.7%	437	-31.3%	9,917	26.3%	25,034	7.6%
1999	12,706	-13.4%	310	-29.1%	9,404	-5.2%	22,420	-10.4%
			Riv	erside Div	ision			
1995	7,548	-19.2%	240	-28.6%	4,833	-19.8%	12,621	-19.6%
1996	9,286	23.0%	184	-23.3%	4,970	2.8%	14,440	14.4%
1997	8,053	-13.3%	124	-32.6%	5,206	4.7%	13,383	-7.3%
1998	9,936	23.4%	109	-12.1%	4,862	-6.6%	14,907	11.4%
1999	6,762	-31.9%	102	-6.4%	5,027	3.4%	11,891	-20.2%
			San	nta Ana Div	ision			
1995	6,708	7.6%	678	-13.6%	2,765	-8.3%	10,151	1.2%
1996	7,662	14.2%	579	-14.6%	2,773	0.3%	11,014	8.5%
1997	8,022	4.7%	470	-18.8%	3,178	14.6%	11,670	6.0%
1998	5,515	-31.3%	332	-29.4%	2,801	-11.9%	8,648	-25.9%
1999	4,720	-14.4%	258	-22.3%	2,437	-13.0%	7,415	-14.3%
			No	rthern Divi	sion			
1995	2,472	-12.6%	206	-32.0%	754	2.0%	3,432	-11.3%
1996	2,761	11.7%	160	-22.3%	755	0.1%	3,676	7.1%
1997	3,380	22.4%	121	-24.4%	944	25.0%	4,445	20.9%
1998	2,668	-21.1%	97	-19.8%	862	-8.7%	3,627	-18.4%
1999	1,626	-39.1%	63	-35.1%	769	-10.8%	2,458	-32.2%
	San Fernando Valley Division							
1995	5,580	-30.1%	547	-44.5%	2,105	-28.3%	8,232	-30.9%
1996	6,789	21.7%	414	-24.3%	2,133	1.3%	9,336	13.4%
1997	6,049	-10.9%	364	-12.1%	2,332	9.3%	8,745	-6.3%
1998	5,862	-3.1%	203	-44.2%	2,790	19.6%	8,855	1.3%
1999	4,396	-25.0%	161	-20.7%	2,991	7.2%	7,548	-14.8%

<sup>\*</sup> Does not include Chapters 9 or 12.



# **lerk's Office Senior Staff**

For additional information regarding this report or the Bankruptcy Court for the Central District of California, you may contact the senior staff of the Clerk's Office.

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