



2004

Annual Report

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INTRODUCTION

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Despite another year of budget reductions, our Court aggressively expanded its use of technology during 2004 to further the efficient administration of justice and mitigate the effects of steep reductions in staffing. The continued integration of technology and enhancements to automated systems have enabled our Court to improve over the customer service and case management performance levels achieved in recent years. The highlights of our 2004 accomplishments include:

Induction Ceremony Held for Judge Maureen A. Tighe

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The formal induction ceremony for Judge Maureen A. Tighe was held on March 4, 2004 in the Edward R. Roybal Federal Building and Courthouse in Los Angeles. Judge Tighe was appointed on November 24, 2003. [See page 18]

Judge Russell Named 2004 Outstanding Jurist

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On May 26, 2004, Chief Judge Barry Russell was named the Los Angeles County Bar Association's "2004 Outstanding Jurist" in recognition of his distinguished service on the federal bench. Judge Russell became the first bankruptcy judge to receive this prestigious award in the 24 year history of this award. [See page 18]

CM/ECF-Compatible Version of CIAO! Develops National Interest and Recognition

The Court completed a CM/ECF-compatible version of *CIAO!*, its locally-developed Windows-based calendaring and order generation system that other courts are starting to consider for possible use. Recognizing this innovative software, the A.O. awarded the Court with a substantial grant through the *Edwin L. Nelson Local Initiatives Program* that will be used to further develop *CIAO!* and provide support to other courts that adopt it. [See page 25]

eFile Becomes Mandatory Under Second Amended General Order 02-01

Recognizing the severe impact of ongoing budget and staffing reductions, the Board of Judges approved the Second Amended General Order 02-01 requiring the mandatory use of *eFile*. The General Order was approved by District Court in early 2005. As of June 1, 2005, failure to comply with this new electronic requirement may result in an *Order to Show Cause* why sanctions or other consequences should not be imposed. [See page 18]

Staffing Reduction Brings Loss of Clerk's Office Staff to 32% Over Last Four Years

Due to a severe budget shortfall, the Court involuntarily separated 22 clerk's office staff members on April 2, 2004, and another 11 staff members accepted buyouts or early retirement offers. As a result of the reduction in staffing, coupled with normal attrition, the Clerk's Office downsized its staff by 32% in the last four years. [See page 31]

eFile Expands by Launching Chapter 13 Petition Module

On September 1, 2004, the Court expanded *eFile* by activating the chapter 13 module, enabling all registered users to electronically file chapter 13 petitions. By the end of 2004, electronically filed chapter 13 petitions represented over 28% of all chapter 13 petitions filed. [See page 26]



Digital Court Recording Implemented District-Wide

The Court completed a project to convert its aging analog tape recording system in all courtrooms throughout the district to computers with digital recording software. The digitally recorded hearings afford superior audio quality, as well as improved access and storage of these court records. [See page 26]

Online Case Files Expanded to Include All Chapter 7 and Chapter 13 Cases

During 2004, the Court stopped maintaining paper case files for newly filed chapter 7 cases, regardless of asset/no-asset status, and all chapter 13 cases, including claims. The Clerk's office had previously discontinued maintaining case files for Chapter 7 no-asset cases filed on or after October 1, 2003. All of the documents in these cases have been imaged and are available online. Online case files improve customer service by offering greater convenience and improved accessibility to case information for Court staff and the public. [See page 23]

Extensive Outreach Programs Boost eFile Usage

The Court conducted an extensive outreach program during 2004 to boost awareness and usage of eFile, the Court's electronic filing system. Consisting of training workshops and seminars for local bar associations, the outreach was in a large part responsible for doubling the number of registered users, and increasing the total number of documents electronically filed with the Court by 176% during 2004. [See page 23]

Clerk's Office Implements Internship Program

The Clerk's Office introduced a new collegiate-level internship program in June 2004 to increase the Court's visibility in the local community, enable interns to gain meaningful work experience, and bringing new talent, skills, and ideas to the Court. [See page 30]

Bankruptcy Mediation Program Expands Services While Conserving Court Resources

Established in 1995, the Court's Mediation Program continued to provide the Court and the public with effective and reliable alternative dispute resolution in bankruptcy cases. During the year, the Program began developing a *pro se* program, and upgrading its automation capabilities to thrive in a climate of reduced court resources. [See page 18]

Court Completes Revision of the Local Bankruptcy Rules and Forms

Revisions and additions to the Court's Local Bankruptcy Rules and forms were completed and became effective May 3, 2004, including: 1002-1, 1007-2, 1015-2, 2016-2, 2072-1, 3007-1, 3015-1, 5075-1, 9013-1, 9075-1, form F 1010-1, form F 1015-2.1, form F 3011-1, the F 4001-1 form series, and form F 5075-1.1. [See page 20]

Court Progresses Towards Conversion to CM/ECF

With the Court scheduled to convert to CM/ECF by the fourth quarter of 2005, an Operations team had reviewed CM/ECF to determine its impact on operations and technical staff had completed a number of system hardware upgrades. By the end of 2004, a comprehensive training plan had been developed and technical staff had completed a number of test conversions. [See page 27]

eFile Adds Popular New Batch-File Feature

The Clerk's Office enhanced eFile with a new feature that enables attorneys filing batches of up to ten chapter 7 petitions through eFile to obtain the same panel trustee and § 341(a) meeting time slot. This popular incentive saves attorneys the time and money associated with representing debtors at § 341(a) meetings scheduled on different dates and times. "Batch-filing" accounted for nearly 50% of all chapter 7 cases submitted through eFile by the end of 2004. [See page 24]



Clerk's Office Introduces Comprehensive Operating Performance Measures

The Clerk's Office introduced a new comprehensive set of operating performance measures that accounted for recent changes in technology. These measures continued to recognize case closing performance, the time required to docket and image documents. New measures were added to include the percent of documents electronically filed at each division, and the quality of data and online case file images. [See page 28]

Court Forms Student Education Task Force

As part of a national movement by bankruptcy courts to educate students on the responsible use of consumer credit, the Court formed the Student Credit Education Task Force. This new task force is developing a financial literacy program geared towards high school graduates. [See page 34]



Mission of the Court

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





THE BANKRUPTCY JUDGES OF THE CENTRAL DISTRICT OF CALIFORNIA

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Top Row (From Left):

Arthur M. Greenwald, James N. Barr, Peter H. Carroll, Erithe A. Smith,
Vincent P. Zurzolo, Ernest M. Robles, John E. Ryan

Center Row (From Left):

Alan M. Ahart, Mitchel R. Goldberg, Robin L. Riblet, Geraldine Mund,
Sheri Bluebond, Thomas B. Donovan, Samuel L. Bufford

Front Row (From Left):

David N. Naugle, Kathleen Thompson, Maureen A. Tighe,
Barry Russell (Chief Judge) Ellen Carroll, Meredith A. Jury, Robert W. Alberts

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ACCOMPLISHMENTS

SECTION I

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Judicial Committees

The judicial committees, established by the Court Governance Plan, address Court-related issues. These committees are responsible for providing feedback and guidance to the entire Board of Judges regarding court operations and administrative issues. Clerk's Office management staff attend committee meetings and provide support to the committees. Chief Judge Barry Russell and Executive Officer/Clerk of Court Jon D. Ceretto are ex-officio members of each committee.

The 2004 standing judicial committees were:

- **Executive Committee**
Judge Barry Russell, Chair
Judge Alan M. Ahart
Judge Sheri Bluebond
Judge Mitchel R. Goldberg
Judge Geraldine Mund
Judge John E. Ryan
Judge Erith A. Smith
 - **Case Management Committee**
Judge Sheri Bluebond, Chair
Judge Mitchel R. Goldberg
Judge Geraldine Mund
Judge Robin L. Riblet
Judge John E. Ryan
 - **Chapter 13 Committee**
Judge Kathleen Thompson, Chair
Judge Peter H. Carroll
Judge Meredith A. Jury
Judge Maureen A. Tighe
 - **Education and Training Committee**
Judge Meredith A. Jury, Chair
Judge Robert W. Alberts
Judge Samuel L. Bufford
Judge Arthur M. Greenwald
Judge Geraldine Mund
 - **Pro Se Committee**
Judge Vincent P. Zurzolo, Chair
Judge Thomas B. Donovan
Judge James N. Barr
Judge Peter H. Carroll
Judge Maureen A. Tighe
 - **Rules Committee**
Judge Peter H. Carroll, Chair
Judge James N. Barr
Judge Kathleen Thompson
Judge Erithe A. Smith
Judge Maureen A. Tighe
 - **Space and Security Committee**
Judge John E. Ryan, Chair
Judge Arthur M. Greenwald
Judge David N. Naugle
Judge Robin L. Riblet
Judge Vincent P. Zurzolo
 - **United States Trustee Liaison Committee**
Judge Robin L. Riblet, Chair
Judge Peter H. Carroll
Judge Thomas B. Donovan
Judge Ernest M. Robles
Judge John E. Ryan
Judge Erithe A. Smith
- The task forces/*ad hoc* committees:
- **Alternative Dispute Resolution Committee**
Judge Barry Russell, Chair
 - **Diversity Outreach Task Force/PICO**
Judge Erithe A. Smith, Chair
Judge James N. Barr
Judge Ellen Carroll
Judge Kathleen Thompson
Judge Maureen A. Tighe
 - **ADR Task Force**
Judge David N. Naugle, Chair
Judge James N. Barr
Judge Kathleen Thompson
Judge Maureen A. Tighe
 - **Ad Hoc Committee on Judicial Assignments**
Judge David N. Naugle, Chair
Judge Sheri Bluebond
Judge Geraldine Mund
Judge Robin L. Riblet
Judge John E. Ryan
- Special Assignment:
- **Legislation Liaison**
Judge Sheri Bluebond, Chair
Judge Samuel L. Bufford
Judge Thomas B. Donovan
Judge Mitchel R. Goldberg
Judge Robin L. Riblet
Judge John E. Ryan



Section 1 A

Induction Ceremony Held For Judge Maureen A. Tighe

On March 4, 2004, a formal induction ceremony for Judge Maureen A. Tighe was held at the Edward R. Roybal Federal Building and Courthouse in Los Angeles. This ceremony followed Judge Tighe's November 24, 2003 appointment as a bankruptcy judge for the Central District of California.

Adam N. Torres, United States Marshal, officially opened the Court to begin the induction ceremony; and Chief District Judge Consuelo B. Marshall and Chief Bankruptcy Judge Barry Russell welcomed family, friends, judges, and guests. Circuit Judge Michael Daly Hawkins extended greetings from the Ninth Circuit and administered the Oath of Office to Judge Tighe. After hearing remarks on her life and career accomplishments from Judge Nora M. Manella, Judge Tighe was enrobed by Lee Michaelson, her life partner, and presented with a gavel symbolizing judicial authority by her parents. A reception, held in the courthouse lobby, followed the ceremony.

Judge Russell Named 2004 Outstanding Jurist

Chief Judge Barry Russell was named "2004 Outstanding Jurist" by the Los Angeles County Bar Association (LACBA), becoming the first bankruptcy judge to receive this award since it was introduced in 1980. This award is given annually to a current or past member of the federal or state judiciary in Los Angeles County who has made significant contributions from the bench through his/her judicial ability and experience; judicial temperament and demeanor; knowledge of the law; contribution to the improvement or education of the legal community; contribution to the practice of law and the community at large; and education and diligence.

The award was presented at a luncheon with speakers that included: the Honorable Dorothy W. Nelson, Senior Judge, United States Court of Appeals, Ninth Circuit; the Honorable Consuelo B. Marshall, Chief Judge, United States District Court, Central District of California; Robin Meadow, LACBA President; Margaret P. Stevens, LACBA Barristers President; and John A. Lapinski, Esquire. In attendance were Bankruptcy Judges Alan M. Ahart, Sheri Bluebond, Samuel L. Bufford, Thomas B. Donovan, Ernest M. Robles, and Maureen A. Tighe.

eFile Becomes Mandatory Under Second Amended General Order 02-01

Recognizing the need to improve case processing efficiency while addressing the severe impact of ongoing budget and staffing reductions, the Board of Judges approved the Second Amended General Order 02-01 requiring the mandatory use of eFile in December 2004. Paragraph 19 of this General Order requires attorneys who manually file documents capable of being filed electronically in at least five cases or adversary proceedings in a single calendar year to thereafter file all such documents electronically in all cases and adversary proceedings using the eFile system. The Court will monitor manually filed documents for compliance. As of June 1, 2005, the effective date of the General Order, failure to comply with this new electronic requirement may result in an Order to Show Cause why sanctions or other consequences should not be imposed.

Bankruptcy Mediation Program Expands Services While Conserving Court Resources

The Central District Bankruptcy Court established its Bankruptcy Mediation Program in July 1995 and has been in the forefront of developing alternative dispute resolution in bankruptcy cases for almost a decade. The Program continues to provide the Court and the public with effective and reliable assistance in resolving disputes without the time and expense associated with litigation. A robust and well-respected Program, it is the largest bankruptcy court mediation program in the nation.



In September 2004, the Court welcomed the return of Susan M. Doherty, Esq. as the Program Coordinator and Career Law Clerk to Chief Judge Barry Russell. Ms. Doherty held the dual roles of Program Coordinator and Career Law Clerk from 1994 to 1999, during which time she assisted Chief Judge Russell and all of the bankruptcy judges in creating and implementing the Program.

The number of matters assigned to the Program has remained steady despite the reduction in case filings. As of December 31, 2004, 3,116 matters had been assigned to the Program since its inception, 2,917 of which had been concluded. Of the concluded matters, 1,847 settled, for a 63% settlement rate. There are 204 mediators currently authorized by the Court to serve on the panel.

The Program continues to solicit feedback about its effectiveness by way of a comprehensive questionnaire that is sent to all of the parties and attorneys who attend mediation conferences. A customized statistical software program is used to analyze the data from the questionnaires. The results of the analysis for 2004 indicate that 80% of the respondents would use the Program again, which reflects the continued appreciation of the Program by the public.

Table 1 United States Bankruptcy Court - Central District of California Mediation Program Volume (As of December 31, 2004)	
Total Number of Matters assigned to ADR since July 1995	3,116
Matters Settled (63%)	1,847
Matters Not Settled (36%)	1,070
Total Number of Matters Concluded	2,917
Current Number of Pending Matters	199
Number of Mediators	202

Court Holds Sixth Annual Mediator Awards Event

On October 14, 2004, the Court, in conjunction with the District Court, hosted the sixth annual event honoring Bankruptcy Court Mediators and District Court Settlement Officers for the 2003-2004 term. Both Courts recognized the Mediators and Settlement Officers for their continued dedication and generous service in the rapidly growing field of Alternative Dispute Resolution (ADR), which offers an opportunity for parties to resolve their legal disputes more quickly, at less cost, and often without the stress and pressure of litigation. More than 100 guests attended the special luncheon held at the New Otani Hotel in Los Angeles. Speakers included Judge Margaret M. Morrow, Chair, Civil Justice Report Act and Alternative Dispute Resolution Committee; and Chief Judge Barry Russell. In attendance were Bankruptcy Judges Alan M. Ahart, Sheri Bluebond, Ellen Carroll, and Maureen A. Tighe, as well as a number of District Court and Magistrate Judges.

Chief Judge Russell presented awards to a number of Bankruptcy Court Mediators for their achievements, including: Franklin Adams, Thomas Casey, Michael Evnin, David A. Gill, Herman Glatt, Earle Hagen, M. Jonathan Hayes, Joseph Markowitz, Elmer Dean Martin III, Alan Nahmias, Richard Neiter, Bernard Seigel, Bernard Shapiro, and J. Scott Williams.



Section 1A

Court Completes Revision of the Local Bankruptcy Rules and Forms

Numerous revisions and additions to the Local Bankruptcy Rules became effective on May 3, 2004. One addition, Local Bankruptcy Rule 2072-1, requires the debtor in a bankruptcy case, or the debtor's attorney, to provide notice to each federal or state court in which the debtor is party to a pending litigation or other proceeding. Under new Local Bankruptcy Rule 5075-1, filers of large bankruptcy cases requiring special administrative procedures must submit a completed *Mega Case Procedures Checklist* to the Clerk of Court upon filing of a *Motion Establishing Administrative Procedures* Re: 28 U.S.C. § 156(c). Local Bankruptcy Rules 1002-1, 1007-2, 1015-2, 2016-2, 3007-1, 3015-1, 9013-1, and 9075-1 were also revised.

The Court also completed a comprehensive revision of the fifteen Relief From Stay motions, orders, and other related forms. The Relief From Stay forms were renumbered, changing from a 300 numbered series to a 4000 numbered series to conform with the requirements of the Uniform Local Rule Numbering System. Also, forms F 1015-2.1, F 3011-1 were revised, and forms F 1010-1, F 4001-1.DEC, and F 5075-1 were added.

Pro Bono Support Provided in All Five Divisions

The Court continued in its tradition of working with local bar associations to make *pro bono* services available to the relatively high number of *pro se* debtors in the district. Following the introduction of the Court's first program in 1997, *pro bono* programs became available in all divisions by 2000.

Los Angeles/San Fernando Valley Divisions

Serving the Los Angeles County communities encompassed by the Los Angeles and San Fernando Valley divisions, the Public Counsel Law Center is the largest *pro bono* law office in the nation. Public Counsel is the public interest law firm of the Los Angeles County Bar Association and Beverly Hills Bar Association, as well as the Southern California affiliate of the Lawyer's Committee for Civil Rights Under Law. Public Counsel's Debtor Assistance Project (DAP), assists qualified *pro se* debtors with legal support in chapter 7 cases, non-dischargeability adversary proceedings, reaffirmation agreements, and other bankruptcy-related matters, such as responding to inquiries about the bankruptcy process.

In 2004, the Debtor's Assistance Project assisted over 1,300 individuals with bankruptcy-related services. Specifically, the DAP screened 768 individuals through the bankruptcy hotline and provided them with an array of services ranging from counsel and advice to placement for *pro bono* representation. An additional 266 *pro se* debtors were offered free legal counseling from DAP volunteer attorneys at their reaffirmation agreement hearings in the Los Angeles and San Fernando Valley divisions. Through DAP referrals, volunteer attorneys provided 96 debtors with assistance in the preparation of their chapter 7 petitions and another 19 debtors were provided with representation in non-dischargeability adversary proceedings.

The Los Angeles Free Clinic (LAFIC), another *pro bono* agency with ties to the Court and serving the Los Angeles area, provided 438 *pro se* debtors with chapter 7 bankruptcy assistance in 2004. The LAFIC assists clients that are preparing their own chapter 7 bankruptcy petition with classroom instruction followed by one-on-one assistance by a *pro bono* attorney.

Riverside Division

The Riverside Division's *pro bono* program has operated in conjunction with the Public Service Law Corporation since early 2001. This program offers assistance to *pro se* debtors in non-dischargeability adversary proceedings.



Santa Ana Division

In November 1999, the Orange County Bar Association, the Orange County Bankruptcy Forum, the Orange County Public Law Center, the Santa Ana Division judges, and Clerk's Office established a Chapter 7 Debtor Counseling Clinic and Reaffirmation Clinic to assist low income *pro se* debtors. The Chapter 7 Clinic convenes twice per month, while the Reaffirmation Clinic is held once per month. In addition to volunteer attorneys, the Chapter 7 Clinic has a Spanish speaking paralegal available to help. These clinics provide counseling for individuals who could not otherwise afford legal assistance. In 2004, with approximately 200 hours of volunteer time, over 36 debtors received assistance at the Reaffirmation Clinic and over 86 debtors received assistance at the Chapter 7 Clinic.

Northern Division

Support and participation in the Northern Division's *pro bono* program grew in 2004 to include seven local attorneys. These attorneys rotate attendance at Reaffirmation Agreement hearings that are held monthly, specifically for *pro se* debtors. The program continues to be well-received by *pro se* debtors, with 26 of them taking advantage of the counseling offered by these attorneys.

Table 2
United States Bankruptcy Court - Central District of California
Pro Bono Programs: 2004

Division	Date Program Introduced	Pro bono Services Provided to Debtors		
		Chapter 7 Petition Preparation	Dischargeability Representation	Reaffirmation Agreement Assistance
Los Angeles/San Fernando Valley Division	10/97	534	19	328
Riverside	4/01	N/A	3	N/A
Santa Ana	11/99	86	N/A	36
Northern	9/00	N/A	N/A	26
Total		620	22	390



Section 1 A

Court Hosts Foreign Visitors Throughout the Year

In 2004, the Court hosted judicial dignitaries from Armenia, Thailand, and Serbia in order to share information about our bankruptcy practices. In May, the Deputy Head of the Department on Bankruptcy Cases in the Ministry of Justice of Armenia visited our Court as participant in the International Fellowship Program at the Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota. During his stay of six weeks, he observed several judges in Courtroom proceedings, discussed bankruptcy practices with our judges, and observed and interacted with the Court's senior management to learn how our internal administrative systems function.

In July 2004, judges from the Supreme Court of Thailand visited the Los Angeles Division to learn how our bankruptcy system operates. Chief Judge Russell hosted the event and provided an overview of the bankruptcy process. The Clerk's Office provided a tour of Operations that included an eFile demonstration, as well as the cashiering, imaging, and processing of manually filed petitions.

In December 2004, the Court hosted seven Serbian judges, three technical staff, and three project lawyers. The Serbian guests were invited by Judge Bufford and participated in a coordinated schedule of activities arranged by the Court. Jon D. Ceretto, Executive Officer/Clerk of Court, provided an overview, introductions, and a tour of the Los Angeles Division. The Court's management team provided a detailed review of court operations, as well as Court-related technical applications. The tour concluded with a visit to the Los Angeles Superior Court.

High Profile Cases Filed During 2004

A number of high profile cases were filed in the district in 2004. The unique nature, complexity, amount of time required for hearings, large volume of documents filed in these cases, and public interest associated with high profile cases significantly impact the Court. Some of the notable cases filed in 2004 include:

On January 12, 2004, Illuminations.com, Inc. filed a chapter 11 case in the Los Angeles Division (LA 04-10427-SB). The case has over 4,400 creditors, and the corporation estimates assets over \$50 million and liabilities of approximately \$55 million.

February 13, 2004, Tri-City Mental Health Center filed the only chapter 9 case in the district for 2004, (LA 04-13167 BR). Tri-City has estimated assets between \$1 and \$10 million, estimated liabilities between \$10 and \$50 million, and over 1,600 creditors.

American Restaurant Group, Inc. dba Stuart Anderson's Restaurants filed a chapter 11 case in the Los Angeles Division on September 28, 2004 (LA 04-30732 TD). American Restaurant Group has estimated assets of \$33 million and estimated liabilities of \$223 million.

Aaron Tonken filed a chapter 7 case on February 10, 2004 in the Los Angeles Division (LA 04-12883-EC). Tonken has an estimated \$8.4 million in assets and \$18.7 million in liabilities. Creditors in this case include many politicians, actors, and other well-known individuals.

Sega Gameworks LLC filed a chapter 11 case in the Los Angeles Division on March 9, 2004 (LA 04-15404 BB). With over 800 creditors, Sega has an estimated \$26 million in assets and approximately \$36 million in liabilities.

On August 5, 2004, Fujita Corporation USA filed a chapter 11 case in the Los Angeles Division (LA 04-27072 ES). With assets of \$5 million and liabilities of \$111 million, the corporation has over 340 creditors.

Franchise Pictures, LLC filed a chapter 11 case in the Los Angeles Division on August 18, 2004 (LA 04-27996 MT). The company estimates their liabilities to be over \$100 million, and assets between \$0 and \$50 million. The case has over 200 creditors.

Online Case Files Expanded to Include All Chapter 7 and Chapter 13 Cases

In 2004, the Court advanced customer service by substantially increasing the number of case files available online. On March 1, 2004, the Court stopped maintaining paper case files for any newly filed chapter 7 case, regardless of asset/no asset status. From that date forward, 100% of documents in these cases have been imaged and are available online. The Clerk's Office had previously discontinued maintaining case files for chapter 7 no-asset cases filed on or after October 1, 2003. The Court then began imaging all documents, including claims, for chapter 13 cases filed on or after September 1, 2004. To ensure the quality of the online case files, quality control reports, developed by the Clerk's Office, identify and track missing images.

Electronic case files offer greater convenience and improved accessibility to case information for Court staff and the public. Online case file documents can be viewed for a fee from the internet-based webPACER system. Images of case file documents can also be accessed by the public, at no charge, from computers located in each division. In 2004, a total of 5.2 million document images were added to online case files, compared to 4.8 million in 2003. This represents an 8% increase, despite the significant decline in filings during 2004. The Court continues to maintain paper case files for chapter 11 and 12 cases, and adversary proceedings.

Extensive Outreach Programs Boost eFile Usage

Introduced in February 2002 as the Court's locally-developed electronic filing solution, the Court expanded eFile to accept chapter 13 filings during 2004. As a result of this expansion, eFile now accepts Complaints, Motions for Relief From Stay, voluntary chapter 7 and chapter 13 petition filings. The Court conducted extensive outreach programs during 2004 to boost awareness and usage of eFile. The programs, consisting of training workshops and seminars, were well received and have been directly responsible for generating many new registrations. The outreach programs are largely responsible for doubling the number of registered attorneys to over 1,000 by the end of 2004, and increasing the total number of electronically filed documents in 2004 by 176% compared to 2003.

eFile Training Workshops

The Clerk's Office held 25 three-hour eFile training workshops at the Los Angeles Division, that approximately 335 attorneys and staff members from 126 different law firms attended. Participants prepared and submitted electronic chapter 7 voluntary petitions in a hands-on training environment. In addition to the eFile team, IT staff were also available to answer technical questions about eFile. The Court also provided participants with an eFile quick reference guide and electronic filing procedures to assist practitioners in filing electronically from their office.

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eFile Seminars

The Clerk's Office, with participation by the judges, held eFile seminars for local bar associations at the Riverside, Santa Ana, and San Fernando Valley divisions. At these seminars, the eFile team highlighted the advantages of eFile, explained the registration process, and provided a demonstration of the preparation and electronic submission of a petition. The eFile seminars concluded with question and answer sessions facilitated by judges, the eFile team, and technical staff. An eFile seminar was also scheduled to be held at the Northern Division in early 2005.



Section 1 B

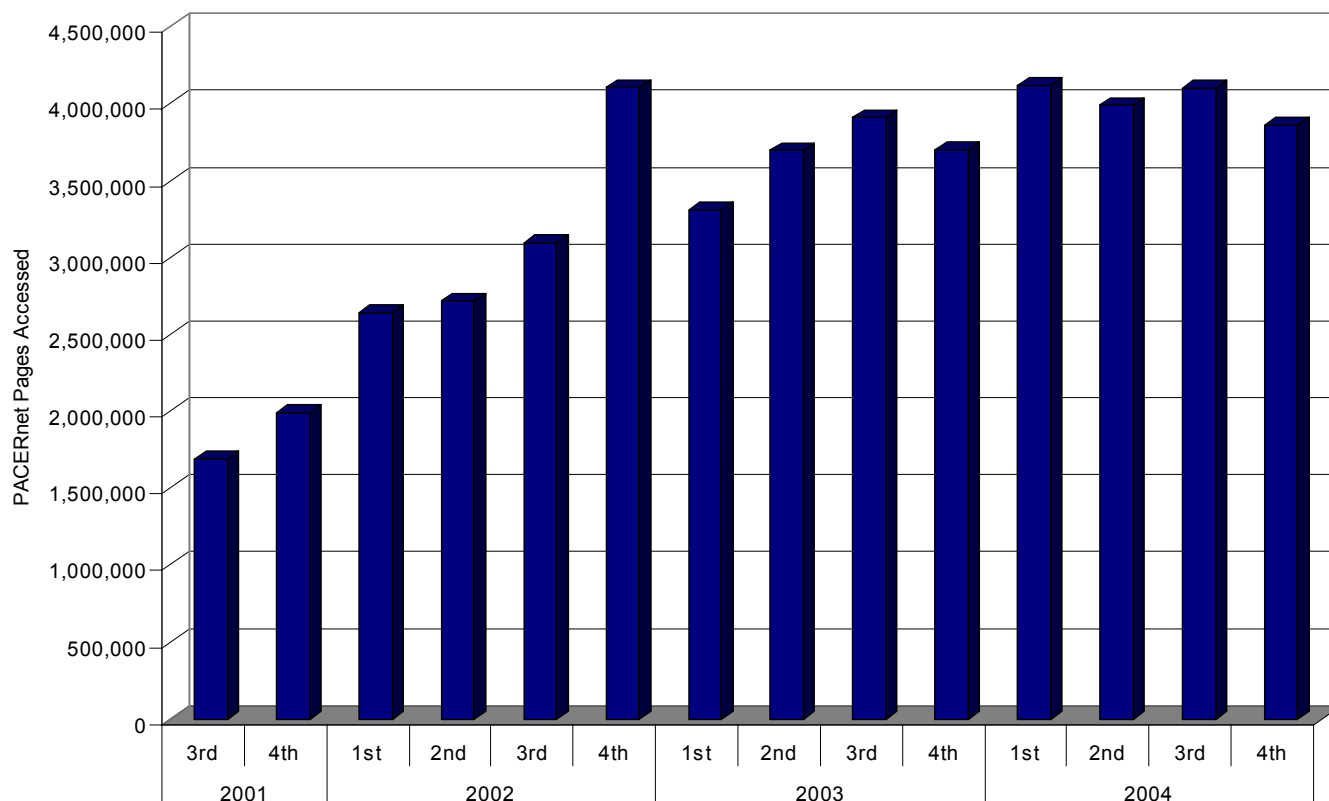
eFile Adds Popular New Batch-File Feature

The Clerk's Office further enhanced eFile, the Court's electronic filing system, when it introduced the new convenient "batch-filing" feature on June 2, 2004. "Batch-filing" enables attorneys who electronically submit up to ten chapter 7 petitions at the same time for the same division, to have their cases assigned to the same trustee and to the greatest extent possible, scheduled for the same 341(a) meeting of creditors. This popular new convenience reduces the time, travel, and expense related to representing numerous debtors at multiple meetings. To maintain the integrity of the case assignment process, filers of batch file cases are not advised which trustee has been assigned to the cases until the entire batch has been eFiled. "Batch-filing" now accounts for close to 50% of all eFiled chapter 7 petitions.

PACERnet Usage Sets New Record as Online Case File Availability Increases

Fueled by an increase in the availability of online case file documents, public usage of PACERnet increased to a new record in 2004, despite the nearly 20% decline in bankruptcy filings (see *Online Case Files Expanded to Include All Chapter 7 and Chapter 13 Cases*, page 23). The public viewed a total of 16.1 million pages through PACERnet in 2004, or 10% more than the 14.6 million pages viewed in 2003. Introduced in July 2001, PACERnet provides registered users with Internet access to the Court's online case file system. Following a number of quarters of nominal usage, the older webPACER dial-up system was discontinued in the first quarter of 2004.

Figure 1
United States Bankruptcy Court - Central District of California
PACERnet Usage



CM/ECF-Compatible Version of CIAO! Develops National Interest and Recognition

Building on the successful introduction of CIAO! (Calendar Information and Orders) in 2003, the Court completed development of CIAO! which is version 3.1, compatible with CM/ECF, the national electronic filing and case management system. Locally developed, CIAO! is a comprehensive Windows-based calendaring and order-generation system that is unlike any other product currently used in the judiciary. CIAO! integrates seamlessly with CM/ECF and incorporates many automated features for increased productivity and efficiency. Features include an "at-a-glance" view of calendared matters, a variety of note fields, the ability to continue several matters simultaneously, availability of macros, plus many search and sort features. The order generation module includes a one step process that docket, places an image on ECF, and generates a notice through the Bankruptcy Noticing Center.



The Court established a team to help promote and support CIAO! and encourage other courts to adopt this product. A number of courts have expressed an interest in CIAO!, with several already providing valuable feedback which is being used to make CIAO! an even more effective calendar management tool. CIAO! demonstrations can be performed remotely by linking the demonstration computer at the interested court to the Court's host computer, along with a telephone conference call.

CIAO! was demonstrated to the CM/ECF Working Group during its fall meeting in Washington D.C. and presented at the 2004 Ninth Circuit Judicial Conference. Information about CIAO! 3.1 is posted at Ed's Place, the United States Courts' information and collaboration web site for locally developed applications.

Recognizing this innovative software development, the A.O. awarded the Court with a substantial grant through the Edwin L. Nelson Local Initiatives Program. This grant was created for the development and sharing of locally developed software applications, and the expansion of IT training opportunities at the Circuit level. The Court has earmarked this grant for expenses related to providing support to other courts that adopt CIAO! and also for its continued development and enhancement.



Section 1 C

eFile Expands By Launching Chapter 13 Petition Module

On September 1, 2004, the Court achieved another milestone when it expanded eFile to enable all users to electronically file chapter 13 petitions. By the end of 2004, electronically filed chapter 13 petitions represented 28.5% of all chapter 13 petitions filed. This new module has the same user-friendly look and feel as eFile's chapter 7 petition module.

In addition to chapter 13 petitions, eFile currently accepts the electronic submission of chapter 7 voluntary petitions, Motions for Relief from the Automatic Stay, and complaints. Registered users can access the eFile system using an Internet connection 24 hours a day, 7 days a week. In addition to improving customer service, eFile saves labor thereby reducing the impact of substantial staffing reductions at the Court.

Court Enhances CIAO! Throughout 2004

CIAO! version 2.4 was rolled out to all five divisions by June 2004. This updated version includes new enhancements, such as additional function keys, spell check, the ability to change text color, case status display, more tool bar options, and a new menu bar. CIAO! version 2.5 was nearing completion for release in early 2005. This upgrade will include the ability to continue multiple hearing matters at one time, history tracking, improved printing options, and a feature that enables judges to control which note fields are posted or printed.

Digital Court Recording Implemented District-Wide

In July 2004, the Court completed a project to convert its aging analog tape recording system in all courtrooms throughout the district to networked computers with FTR Gold digital recording software. The new user-friendly Windows-based system was introduced after extensive training that included the digital recording of a video-taped mock trial in addition to classroom training and exercises. Since court recordings are digital, they can be saved on a network server, rather than on thousands of cassette tapes stored in storage rooms. As a result, judges and Court staff can listen to a recorded hearing from any networked computer that has been configured for this application. FTR Gold produces a superior audio recording that is easily transferred to CD for both internal and external customers. FTR Gold includes a component, Log Notes, that enables the digital court recorder to quickly and easily enter notes that are automatically time stamped and linked to the audio recording. FTR Gold also includes numerous other features, including a customizable search function and the ability to import the debtor's name and case number from CIAO!, the Court's calendar program.

eFile Team Works with Bankruptcy Software Firms to Increase Convenience/Usage

The Court's operations and automation teams worked with a number of leading bankruptcy software providers to enable their clients to electronically file chapter 7 and chapter 13 petitions using their proprietary software packages. One vendor designed and implemented a module compatible with eFile, which automatically completes a bankruptcy cover sheet and uploads data to eFile with the click of a button. This eliminates data entry previously required in using both the bankruptcy software and eFile.



Court Participates in Judiciary's Pilot Program for BlackBerry Wireless Devices

The Court participated in a judiciary-wide pilot program to evaluate BlackBerry wireless devices. BlackBerries are unique devices that combine the calling capability of a cellular telephone with the ability to send and receive e-mails securely from the judiciary's Lotus Notes e-mail system in "real time." The pilot study was designed to evaluate performance of the A.O.'s BlackBerry Enterprise Server and DCN communications, utilizing various connectivity scenarios. The study, which concluded on September 30, 2004, involved nine Court participants, including judges and Clerk's Office staff. The BlackBerry devices have proven to be a powerful and effective communications tool and the Court has decided to implement them on a limited basis. BlackBerry devices are a key communications tool in the Court's Continuation of Operations Plan (COOP).

Sound Systems Replaced in Riverside Courtrooms

In February 2004, the Court replaced all sound systems in the Riverside Division in order to remedy frequent hardware failures experienced in its courtrooms. The older systems consisted of a proprietary design. The new systems, consist of "off-the-shelf" hardware and have proven to be more reliable and stable.

Court Progresses Towards Conversion to CM/ECF

The Court continued efforts to prepare for the conversion of its case management system to the national Case Management/Electronic Case Filing system (CM/ECF), currently scheduled for the fourth quarter of 2005. A CM/ECF development group was active in configuring the system and had begun programming. An Operations committee reviewed CM/ECF functionality to determine how processes/work flows would be affected by the new system. By May 2004, a second conversion of test data from NIBS to CM/ECF had been completed, and additional test conversions were scheduled. In anticipation of additional network traffic that will be generated by CM/ECF, major upgrades were made to networks serving both internal and external data traffic, and new data lines were added. Plans are underway to commence CM/ECF training in 2005 following a district-wide kick-off event.



Section 1D

Clerk's Office Introduces Comprehensive Operating Performance Measures

In January 2004, the Court introduced a new comprehensive award, the *Outstanding Service and Comprehensive Court Achievement Recognition Award* (OSCCAR), to recognize the division with the best overall operating performance each month. This new award replaced several performance-based awards previously established by the Clerk's Office that measured operating performance related to case closing, and the speed with which documents are docketed and imaged. OSCCAR adds factors for the percent of documents electronically filed and the quality of data and document images. The new operating performance measures better reflect current operational processes and priorities that have resulted from increased use of technology by the Court. These new case processing measures have generated much enthusiasm among Clerk's Office staff, as well as friendly competition among the five divisional offices.

Pending Caseload at Lowest Level in Two Decades

By the end of 2004, the pending caseload for the Court was 29,185 bankruptcy cases, representing a reduction of 22.3% from the 37,553 cases pending at the end of 2003. This decline was mostly attributable to the 19.8% decline in filings in 2004. The pending caseload continues the steady decline that began in 1992, when a record 103,207 cases were pending. The current caseload is at the lowest level in over 20 years.

Table 3
United States Bankruptcy Court - Central District of California
Analysis of Pending Case Aging: 1995 vs. 2004

	Pending Case Aging Category	12/31/1995	12/31/2004	Percent Change
Chapter 7	Percent 4 Months or Less	56.4%	74.3%	31.7%
	Percent Over 6 Years	4.7%	2.0%	-57.4%
Chapter 11	Percent Over 6 Years	18.5%	7.6%	-58.9%
Chapter 13	Percent 3 Years or Less	82.2%	80.2%	-2.4%
	Percent Over 5 Years	5.0%	2.6%	-48.0%
Adversary	Percent One Year or Less	64.2%	61.9%	-3.6%
Proceedings	Percent Over 3 Years	13.9%	3.7%	-73.4%

Docketing Performance Sets New Record/Excellent Imaging Performance Maintained

During 2004, the Clerk's Office set a new record in docketing performance by entering 94.4% of all items on the docket within one day of filing (excluding automated entries), breaking the 91.0% performance achieved in 2003.

The Clerk's Office also imaged 92.0% of the 5.2 million documents imaged throughout the district within one day from the date they were docketed. This represents a slight decline from the 92.9% imaging performance set in 2003. However, this performance is still noteworthy in light of the 8% increase in the number of images over the prior year.



New Petition Data Quality In 2004 Sets Performance Record

The Clerk's Office entered data from 97.7% of all manually filed petitions without any errors in 2004. This represents a new data quality record, improving upon the 97.0% record set in 2003 and is an impressive achievement, given that each petition contains hundreds of pieces of information that must be entered into the ICS, the Court's cashing system. All data entry errors are corrected prior to download into the case management system.

Court Improves Consistency of Procedures for Court Operations

In January 2004, the Clerk's Office established the Standardized Procedures Committee to ensure district-wide uniformity in its document processing procedures. The Committee, comprised of representatives from each of the Central District's five divisional offices, met weekly by teleconference to collaborate on procedures for court operations. After exchanging information on various approaches to different procedures, and agreeing upon "best practices," the Committee finalized new uniform procedures used in processing such documents as abstracts of judgments, writs of executions, proofs of claims, and several internal Court documents. The Committee continued to be active in adapting its revisions to include changes in processes that will occur with the Court's conversion to CM/ECF in late 2005.



Section 1E

Clerk's Office Implements Internship Program

In an effort to increase the Court's visibility in the local community and to improve outreach efforts, as well as recruit new talent, the Clerk's Office implemented a collegiate-level internship program in 2004. The Clerk's Office internship program enables highly qualified students from colleges and universities to gain meaningful professional work experience, while providing a valuable service to the Court. Interns selected for participation in this program were assigned to specific departments within the Clerk's Office, including Administrative Services, Communications, Information Technology, and Case Initiation. Interns were responsible for assisting the Court in completing short-term projects and assignments in Operations, Administration, and Information Technology.

Six interns participated in the Clerk's Office internship program. Three interns were enrolled at the University of California at Los Angeles in pursuit of bachelor degrees. Three additional interns were enrolled at the University of California at Riverside, the University of Chicago, and Howard University (Law School). All interns served at least an eight-week term. The internship program also included weekly progress meetings in which each intern met individually with their respective manager. In addition, the interns participated in special activities with the Clerk's Office Executive staff. Both the Clerk's Office staff and the interns found the internship program to be a mutually beneficial experience.

Court Develops Digital Literacy Exercise Program

The Clerk's Office developed a "Digital Literacy" exercise to assess staff members' ability to apply general computer skills to common workplace situations. The exercise was locally developed by customizing a commercially available software product. Following orientations and self-study sessions in each division, the vast majority of Clerk's Office staff elected to participate in this voluntary program. With the increasing emphasis on computer-related skills at the Court, these skills are becoming an important factor in performing job duties that more frequently require a high level of computer-related skills. Results from the exercises are used to assist in the allocation of limited training resources. While most court operations were handled through manual processes (e.g., typewriters, paper files, etc.) as recently as nine years ago, the Court has aggressively phased in automation that requires increasing levels of computer skills for such systems as case management, calendaring, electronic case filing, digital court recording, and other Court-related functions since that time. It is interesting to note that the Educational Testing Service (the non-profit group responsible for college entry exams such as the SAT) has brought the measurement of digital literacy mainstream by developing a new test to determine how well students apply information technology skills to solve problems.

Clerk's Office Staff Recognized at Award Ceremonies

The Court held its annual Special Service Award ceremonies during the week of September 6 - 10, 2004. Each divisional office hosted a formal ceremony to recognize exceptional individual efforts and acknowledge those with length of service awards. Jon D. Ceretto, Executive Officer/Clerk of Court, welcomed staff, and Chief Judge Russell thanked everyone for their continued hard work and dedication. Michael E. Rotberg, Chief Deputy of Operations, addressed Operations achievements during the year, while Kathleen J. Campbell, Chief Deputy of Administration, addressed Administration accomplishments and projects. The senior management for each division acknowledged those staff members receiving length-of-service awards. Adding to their appreciation were Judge John E. Ryan in Santa Ana; Judge Robin L. Riblet in Santa Barbara; Judge Geraldine Mund in Woodland Hills; and Judge David N. Naugle in Riverside. At the end of each ceremony, management staff personally served ice cream with all the toppings to line staff as a small thank you for their hard work during the year.

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FOR PUBLIC VIEWING**

Jon D. Ceretto, Executive Officer/Clerk of Court (left), Michael E. Rotberg, Chief Deputy of Operations (right) serving ice cream to staff.

Staffing Reduction Brings Loss of Clerk's Office Staff to 32% Over Last Four Years

On April 2, 2004, a reduced operating budget required the Clerk's Office to involuntarily separate 22 Clerk's Office staff. An additional 11 Clerk's Office employees also left the Court under the Early-Out and Buy-Out provisions authorized by the Administrative Office. All of the 33 separated employees were eligible for either a severance or retirement package, as well as unemployment benefits. This staffing reduction is in addition to reductions sustained in 2002 and 2001, when the Clerk's Office was reduced by 24 and 16 staff members respectively. As a result of the recent reduction in staffing coupled with normal attrition, the Clerk's Office has downsized its staff by 32% in the last four years, from 420 employees in May 2000 to 286 employees in April 2004.

The staffing reduction was completed with the goal of minimizing the impact on court operations and customer service. Separated staff were provided with approximately four weeks notice in advance of their actual separation. Outplacement assistance was provided at the Career Transition Center that was established by the Court (see article below).

Career Transition Center Provided Assistance to Displaced Employees

The Career Transition Center provided assistance to the 22 Bankruptcy Court employees from throughout the district who were separated as a result of the Court's reduced operating budget. The Center, staffed by the Human Resources Department, provided a temporary job search resource center for affected staff. The Center was furnished with computers with Internet access, printers, and fax and photocopy machines. The State of California Employment Development Department provided seminars on a variety of employment-related topics, including preparing an effective resume, job search techniques, effective interviewing, etc. The Human Resources Department provided referral information, online job search assistance, and Word and WordPerfect training classes. As applicable, staff also received individual counseling about retirement options.



Section 1F

Court Implements Supervisors' Development Program

Consistent with the Court's established goal of developing leadership skills throughout the Court, the Clerk's Office implemented the Supervisors' Development Program (SDP) for its supervisors and managers in December 2004. The SDP commenced with 23 staff members. Sponsored by the Federal Judicial Center (FJC), the SDP is a challenging yet practical three-year program that allows those with supervisory responsibility to enhance their management and leadership skills. Additionally, it aids the Court in succession planning. Through individual plans, the program consists of a 98-hour curriculum that is divided into three progressive phases: Survival Kit for New Supervisors, Foundations of Management, and Enhancing Supervisory Skills. These phases cover an array of essential leadership and management topics such as Building Trust and Credibility, Motivating Employees, and Supervising a Diverse Workforce. Through this program, supervisors and managers gain new skills and knowledge that can be applied immediately, resulting in improved court operations and customer service. Upon successful completion of this three year program, participants will be issued a certificate of achievement by the FJC.

District-Wide Interpersonal Skills Training Held

The Staff Development Department conducted *Interpersonal Skills* training sessions at each of the Central District's five divisional offices for approximately 145 Clerk's Office staff members during 2004. *Interpersonal skills* is one of the five core competencies in the Court's new competency-based human resource management system. The Department plans to begin conducting training sessions in 2005 for the other competencies of Conscientiousness, Self-Management, Teamwork, and Applies Technology to Task.

The two and a half-hour *Interpersonal Skills* training session was designed to help staff members deal more effectively with both internal and external customers and identify methods that can be used to eliminate or respond to conflicts. The training also covered steps employees can take to understand and accept responsibilities. In addition, employees received tips on how to work in teams more efficiently.

Bankruptcy Judges Revive "Lunch and Learn" Program

The Los Angeles Division judges revived the popular "Lunch and Learn" educational program for Clerk's Office staff. Under this program, judges volunteer to teach bankruptcy related subjects to Clerk's Office staff in a brown bag lunch setting. About 35 Clerk's Office staff & law clerks attended each program held in 2004. Judge Vincent P. Zurzolo facilitated the first session in the program on the subject of trial proceedings. Judge Maureen A. Tighe conducted the second "Lunch and Learn" program on the subject of criminal bankruptcy fraud.

Court Integrates Its Continuity of Operations Plan (COOP)

Combining numerous emergency preparedness documents developed over the past 10 years, the Court completed a Continuity of Operations Plan (COOP) in Spring 2004. The COOP outlines procedures for maintaining the essential functions of the Court in the event of a natural, technological, or man-made disturbance. The COOP documents alternate locations, critical personnel, and the vital records needed in order to maintain the essential functions of the Court in the event of a disruption. The plan is response oriented and details the logistics of moving support staff and automated resources to an alternate location. It also outlines resources for informing the public of changes in judicial schedules and filing locations in the event of a disruption.

Information has been gathered from departmental managers in every divisional office to ensure that all essential operational and administrative functions are considered in the COOP. In addition, the Court has worked closely with officials from the Administrative Office (AO) and the Federal Emergency Management Agency (FEMA) to implement strategies for effectively dealing with significant disruptions.

District-Wide Defibrillator/CPR Training Completed

A total of 43 Court employees, including several judges, completed CPR and defibrillator training during 2004. The hands-on training was provided by the U.S. Marshals Service and covered techniques and use of automated external defibrillator (AED) equipment as well as adult and pediatric CPR. All 43 participants were certified in CPR by the American Heart Association. AED equipment is available at each of the five divisional offices within the Central District and is maintained by the U.S. Marshals Service.

Court Develops Shelter-in-Place Plans

The Court began developing Shelter-In-Place (SIP) emergency response plans for all five divisions in 2004 with assistance from the U.S. Marshals Service and the Federal Protective Service. SIP programs focus on external threats to each courthouse that would require occupants to remain in designated safe areas within the building. The Shelter-In-Place plans provide an additional safeguard to the evacuation and safety measures included in the Occupant Emergency Plans for each division. By the end of 2004, the Riverside and Santa Ana Divisions had completed SIP drills, and the other divisions were developing SIP plans for their buildings.

Fitness Center Opens In Edward R. Roybal Federal Building

On May 10, 2004, Jon D. Ceretto, Executive Officer/Clerk of Court, officially opened the Edward R. Roybal Federal Building's employee fitness center in a special ribbon cutting ceremony designed to generate interest and enthusiasm for the new facility. This 900-square foot fitness center was funded by the Ninth Circuit and constructed with assistance from the General Services Administration. The Center is available free of charge to Bankruptcy Court staff and other Court employees located within the Roybal Building. It offers a variety of fitness equipment, and such amenities as a changing/shower room, restroom, television with VCR/DVD, and 15 lockers. Ken Duncan, a fitness expert and former National Football League player spoke at the opening and conducted equipment orientation training for interested employees.

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Jon D. Ceretto, Executive Officer/Clerk (center), cuts ribbon at Fitness Center opening. Also pictured, Michael E. Rotberg, Chief Deputy of Operations (left) and Kathleen J. Campbell, Chief Deputy of Administration (right).



Section 1H

Court Forms Student Credit Education Task Force

The bankruptcy judges of the Central District of California formed the Student Credit Education Task Force, charging it with developing a district-wide program for educating students on the responsible use of consumer credit. The Task Force is an outgrowth of the national movement by bankruptcy courts to help increase students' financial literacy to combat the widespread and growing misuse of consumer credit. The program will primarily focus on educating students about the need for wise financial management and the negative impact of too much personal credit card debt.

Executive Officer/Clerk Serves on PICO Committee

Mr. Jon D. Ceretto, Executive Officer/Clerk, continued to be an active member of the Public Information and Community Outreach Committee (PICO) for the Ninth Circuit. Established in 2000, the Committee promotes public understanding about the federal Courts through outreach to the community and media. The Committee is comprised of a mix of circuit, district, and bankruptcy judges, along with clerks of Court, attorneys, and media relations professionals.

2004-2005 Combined Federal Campaign Program a Success

During 2004, a total of 150 Court employees contributed \$36,558 to a multitude of charities through the Combined Federal Campaign (CFC). Mr. Jon D. Ceretto, Clerk of Court, and Mr. Michael E. Rotberg, Chief Deputy of Operations, served on the Board of Directors for the Orange County CFC and Los Angeles County CFC programs, respectively. In addition to monetary contributions, the Court also supplied the CFC with a "loaned executive" who helped coordinate various government agencies in determining and reaching common contribution goals. The CFC, established in 1963 by President John F. Kennedy, is the only authorized charitable campaign in the federal workplace. The CFC allows federal employees to contribute money to hundreds of different charities, which support worthwhile causes throughout the world.

Riverside Division Contributes to Mental Health Program

The Riverside Division participated in the effort by the Riverside County Department of Mental Health to raise donations through its "Snowflake" program – enough for 34 gifts. The gifts were purchased for underprivileged children from the ages of 9 to 18 years of age. A snowflake with the child's name and gift wish was attached to the unwrapped gift identifying that it came from employees of the Court.

Santa Ana Division Holds Year-End Toy Drive

At the end of 2004, the Santa Ana Division held a food and toy drive for the Orange County Rescue Mission. This non-profit organization is dedicated to helping needy men, women, and children who are homeless, or on the brink of becoming homeless, through donations, health care, education and job training. Donations of new unwrapped toys and canned goods, with a value of over \$500, were delivered to the Rescue Mission on December 17, 2004.

Northern Division Active in American Cancer Society Events

The Northern Division marked its third year of participation in the American Cancer Society's Relay for Life. This 24-hour relay and celebration of hope and progress honors the millions of Americans who have survived cancer. The Division also hosted a Daffodil Days fund-raising event for the American Cancer Society. Proceeds from both events fund the American Cancer Society's programs of cancer research, education, advocacy, services for cancer patients and their families, and also furthers the mission of the Society.



San Fernando Valley Division Participates in Adopt a Senior Program

During the holidays, the San Fernando Valley Division participated in the Adopt a Senior program. Sponsored by the Organization for the Needs of the Elderly (ONE), the program identifies low-income seniors to be "adopted" by volunteers. Volunteers provided practical gifts requested by the seniors, such as toiletries, postage stamps, coffee, etc.

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COURT STATISTICS

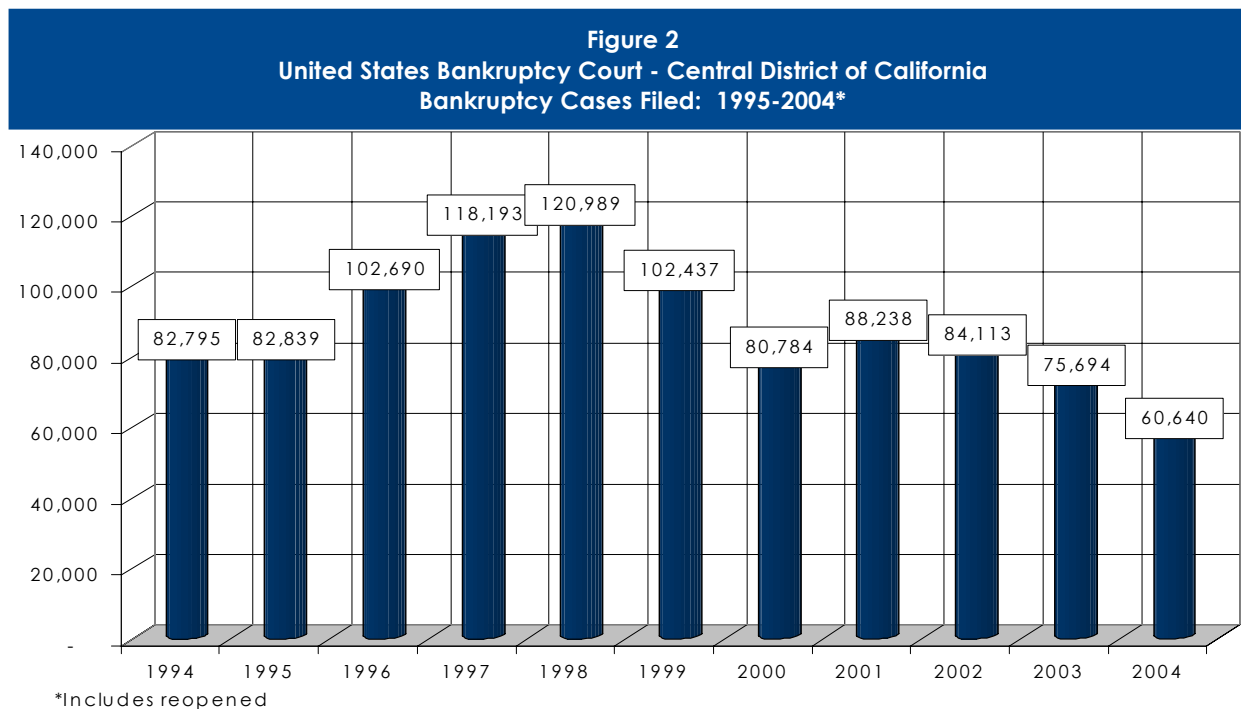
Section II

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Bankruptcy Filings Decrease for Third Consecutive Year

For the first time since 1980, bankruptcy filings in the Central District of California decreased for three consecutive years, declining by 31% from 2002 through 2004 (See Figure 2). In 2004, a total of 60,640 bankruptcy cases were filed or reopened, representing a 20% drop from the 75,694 cases filed in 2003. Filings declined in every chapter, with decreases in chapter 7 filings of 16%, chapter 11 filings of 19%, and chapter 13 filings of 46%. Separately, 4,740 adversary proceedings were filed in 2004, a 23% decline from the 6,154 filed 2003.



Number of Motions For Relief From the Automatic Stay Decreases

During 2004, the Court received a total of 8,954 Motions For Relief From the Automatic Stay, a 37% decrease from the 14,270 filed in 2003. This decline is in large part due to the decrease in chapter 13 filings, which historically have had a larger number of these motions filed than other chapters. From 2002 to 2004, the number of chapter 7 filings per Relief From Stay motion increased from 6.7 to 10.8, while the number of chapter 13 filings per Relief From Stay motion decreased from 2.1 to 1.5.

Pro Se Debtors Continue to Comprise 26% of Bankruptcy Filings

The percentage of *pro se* debtors (i.e., individuals without attorney representation) filing bankruptcy cases in the district remained at 26% in 2004, the same percentage as in 2003. The current percent of *pro se* debtors is substantially lower than the 42% estimated during 1994. In response to the relatively high number of *pro se* debtors in this district, the Court coordinates numerous *pro bono* programs with the local bar associations to provide free legal support (see *Pro Bono Support Provided in All Five Divisions*, page 20-21).

Table 4
United States Bankruptcy Court - Central District of California
Estimated Percentage of Pro Se Filings
District-Wide: 1995-2004

Year	Chapter 7	Chapter 13	Total
1995	36%	35%	36%
1996	35%	38%	36%
1997	37%	37%	37%
1998	32%	32%	32%
1999	33%	29%	31%
2000	27%	19%	24%
2001	29%	24%	28%
2002	28%	22%	27%
2003	27%	22%	26%
2004	26%	22%	26%
Average	32%	29%	31%



Section II

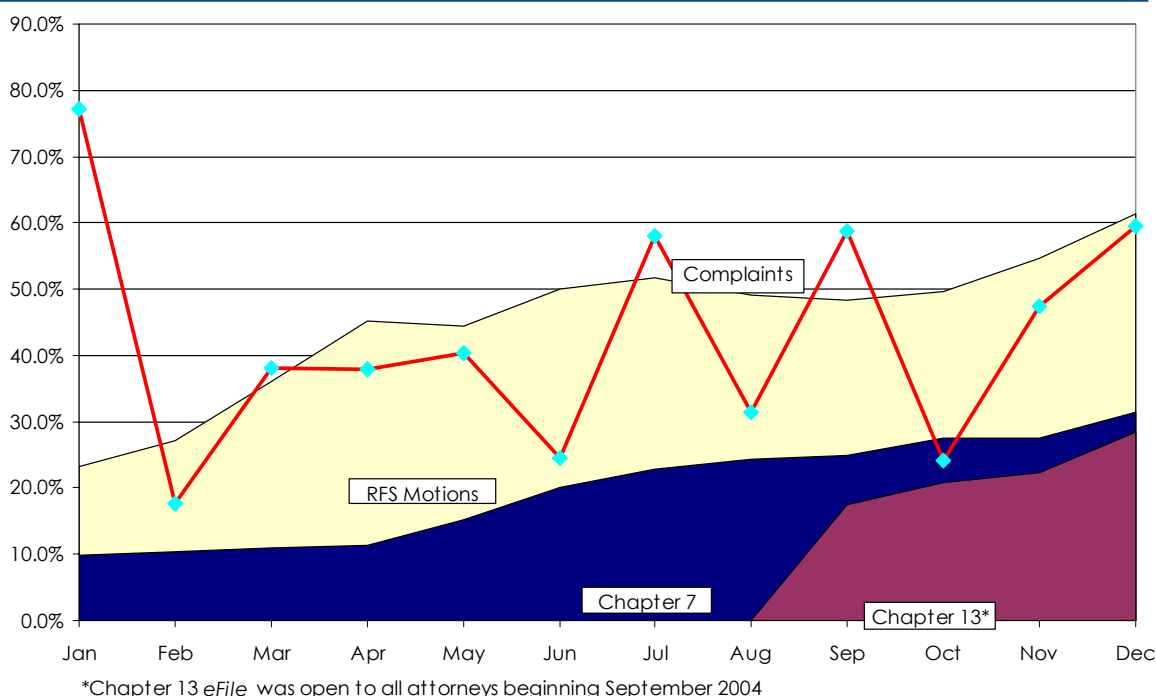
eFilings Nearly Tripled During 2004

eFile, the Court's locally developed electronic filing system, gained substantial public acceptance during 2004. During the year, the number of attorneys registered to use eFile more than doubled to 1,073 individuals, and a total of 16,324 documents were electronically filed - nearly triple the volume from the previous year. This remarkable increase in volume can be attributed to the introduction of the chapter 7 petition module on December 3, 2003; the introduction of the chapter 13 petition module on September 1, 2004; the extensive outreach programs; and the implementation of a new time and cost savings incentive for attorneys electronically filing chapter 7 petitions (see *Extensive Outreach Programs Boost eFile Usage*, page 23 and *eFile Adds Popular New Batch-File Feature*, page 24). The percent of documents eFiled as a percent of the total documents filed also increased significantly as outlined in table 5. The Second Amended General Order 02-01, requiring mandatory use of eFile as of June 1, 2005, is expected to further increase eFile usage in the future (see *eFile Becomes Mandatory Under Second Amended General Order 02-01*, page 18).

Table 5
United States Bankruptcy Court - Central District of California
eFile Statistics: 2003-2004

Type of eFile Document	Date Module Available to All Users	Total Documents eFiled (Includes pilot filings)		eFile Documents as a Percent of Filings (Pilot periods NOT included)	
		2004	2003	2004	2003
Ch 7 Petitions	12/4/2003	10,301	772	19%	8%
Ch 13 Petitions	9/1/2004	303	N/A	22%	N/A
Complaints	3/3/2003	2,318	2,426	49%	39%
RFS Motions	3/3/2003	3,675	2,716	43%	20%
Total Documents eFiled		16,324	5,915		

Figure 3
United States Bankruptcy Court - Central District of California
Percent of Documents Filed via eFile 2004





COURT PROFILE

Section III

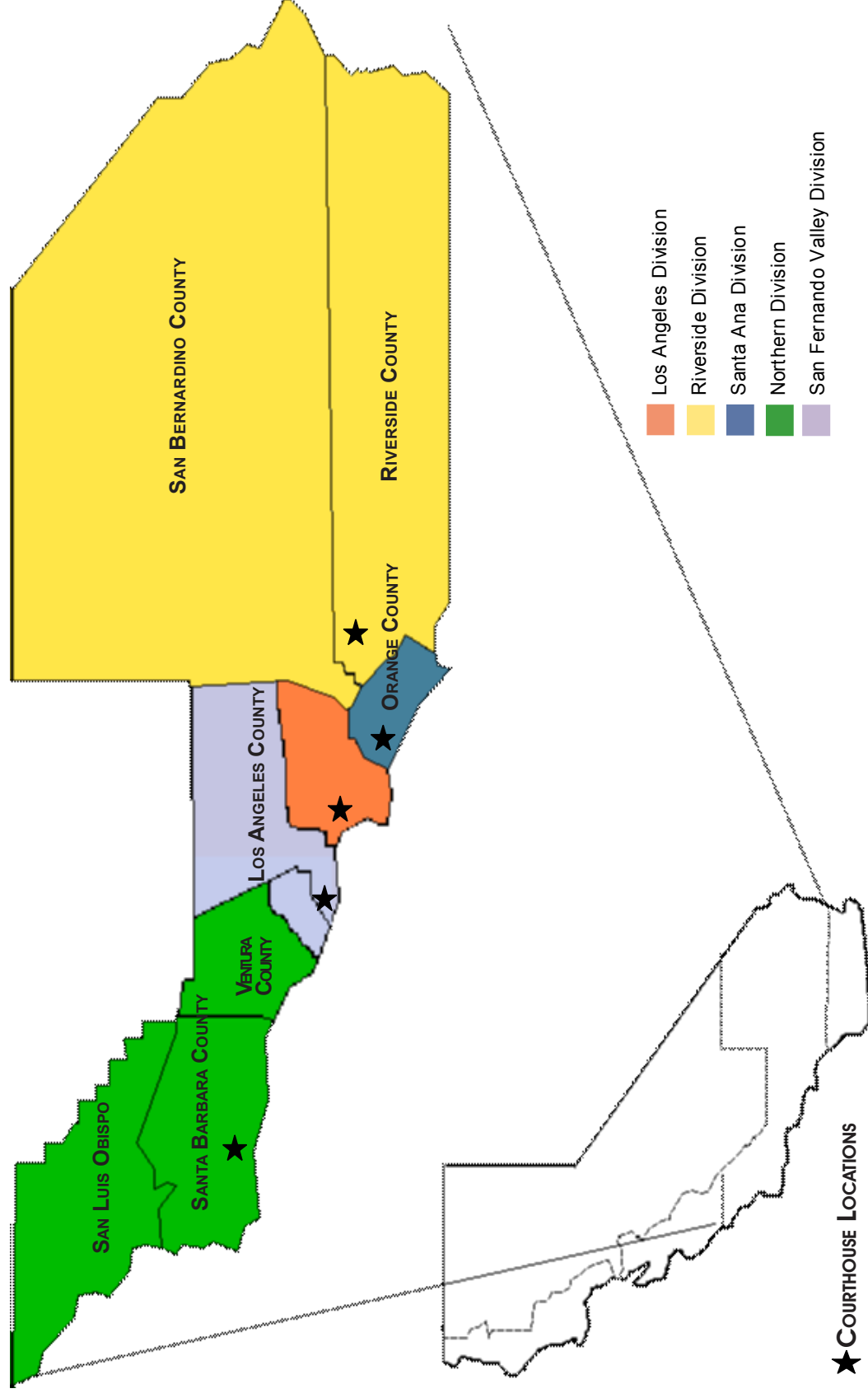
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The Central District of California is the largest bankruptcy court in the United States. Presently, the district holds court in Los Angeles, Riverside, Santa Ana, Santa Barbara, and the San Fernando Valley.

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 Territory of Guam, and 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, a court of appeals, and a bankruptcy appellate panel.





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. Some other 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 Southern District of California into two divisions: 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 Southern District. The designation of Los Angeles was changed from Southern to 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.
- 1986 Bankruptcy Judges, United States Trustees, and Family Farmer Act passed.
- 1992 Congress passes act establishing three divisions in the Central District of California.
- 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.
- 1994 Bankruptcy Reform Act of 1994 enacted.
- 1996 A divisional bankruptcy office was opened in the San Fernando Valley.
- 1997 The Northern Division relocates to a new courthouse in Santa Barbara.
- 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.
- 2002 Court launches *eFile*, its new electronic filing system, and begins pilot program accepting electronically submitted Motions for Relief from the Automatic Stay.
- 2003 *eFile* system is expanded to accept Motions for Relief from the Automatic Stay for all judges, complaints, and chapter 7 petitions. Court's CIAO! system, which is integrated with *eFile*, is implemented district-wide.
- 2004 Chapter 13 *eFile*, National Version of CIAO!



Section III B

With a population of nearly 18 million people, the Central District represents more than 50% of California's population of nearly 35.6 million people. Based on projections by the Demographic Research Unit of the California Department of Finance, the Central District of California is home to four of the six most populous counties in California (Los Angeles, Orange, San Bernardino and Riverside) and two of the six most populous counties in the United States (Los Angeles and Orange).

The following table details changes in population for the Central District of California from 1994 to 2004 compared to the number of bankruptcy cases filed for the same period.

Table 6
United States Bankruptcy Court - Central District of California
Change in Population and Bankruptcy Filings: 1994 vs. 2004

CENTRAL DISTRICT of CALIFORNIA	POPULATION*			BANKRUPTCY FILINGS		
	1994	2004	% Chg	1994	2004	% Chg
Los Angeles	9,095,200	10,103,000	11.08%	52,341	46,682	-10.81%
Ventura	692,935	802,400	15.80%			
Santa Barbara	397,700	414,800	4.30%			
San Luis Obispo	227,000	258,200	13.74%			
Orange	2,563,100	3,017,300	17.72%	13,096	9,400	-28.22%
Riverside	1,340,200	1,776,700	32.57%	17,152	18,511	7.92%
San Bernardino	1,561,900	1,886,500	20.78%			
District Total	15,878,035	17,954,800	13.08%	82,589	74,593	-9.68%

* Source State of California, Department of Finance, Table 1: Historical County and State Population Estimates, 1991 - 2000, with 1990 and 2000 Census Counts. Sacramento, California, May 2001

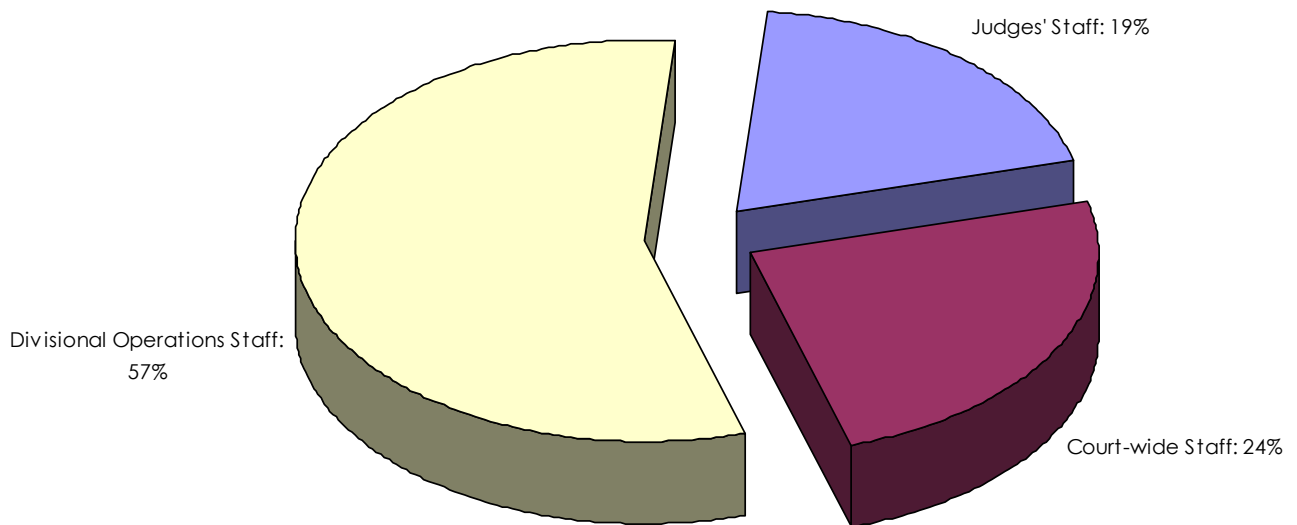
State of California, Department of Finance, Table 2: E-4 Population Estimates for Cities, Counties and State, 2001-2004. Sacramento, California, May 2004

A total of 349 full-time equivalent employees (including judges, judges' staff, and Clerk's Office) were on the payroll of the Bankruptcy Court in the Central District of California as of December 31, 2004.

The following chart displays the allocation of Central District personnel. The majority of staff work in Clerk's Office operations (57%). Operations includes the staff of Case Initiation, and Courtroom Services. Another 21% of the Court's personnel consists of administrative staff, which includes the Executive Office, Human Resources, Financial Services, Information Technology, Administrative Services, Analysis and Information, and Office Services. eFile operations comprises 3% of all employees in the district. The judges' staffs, including law clerks and judicial assistants, comprise 19% of the total.

The majority of employees work in Los Angeles (61%), followed by Riverside (16%), Santa Ana (11%), the San Fernando Valley (9%), and the Northern Division (3%).

Figure 4
United States Bankruptcy Court - Central District of California
Bankruptcy Court Personnel





Section III D

In 1994, the Judicial Conference and the Administrative Office of the United States Courts (A.O.) decentralized budget management in order to provide court units with greater autonomy in long-range planning, improved cost-control, and flexibility in meeting local needs. Budget decentralization has proven to be a cost-effective, successful program, unique in the federal budget environment.

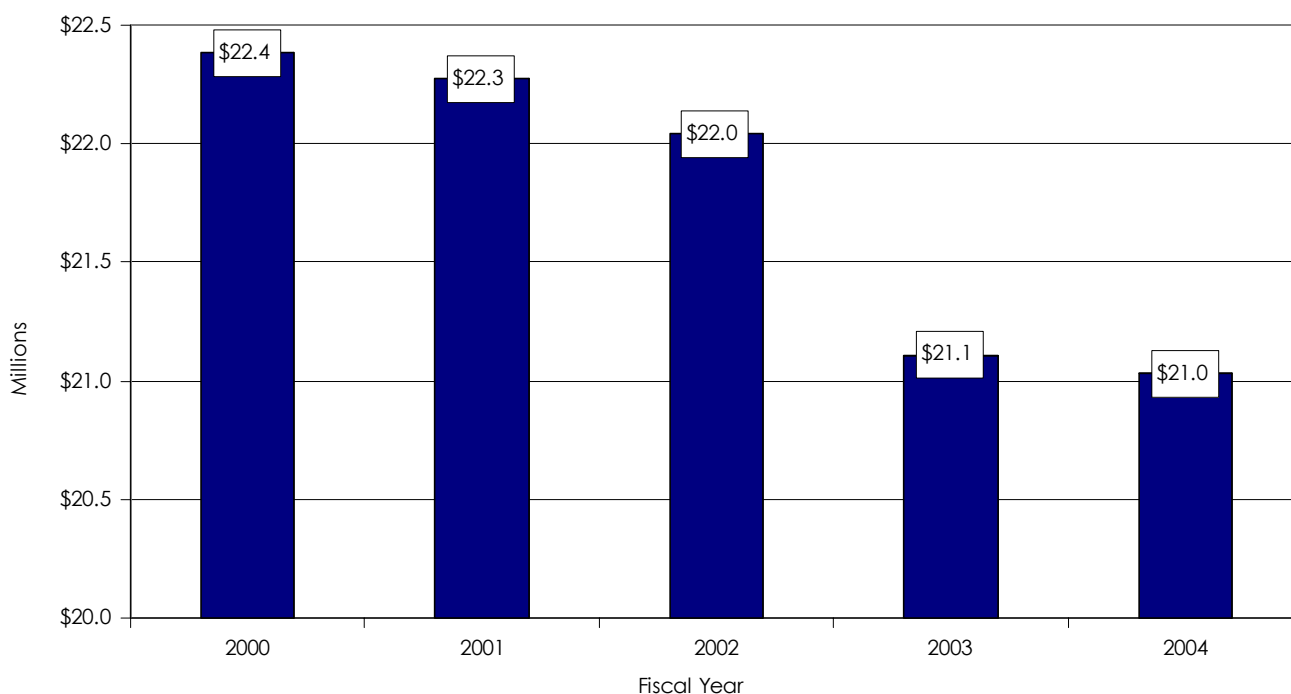
In accordance with the budget decentralization policy, the Bankruptcy Court for the Central District of California adopted the Appropriated Funds Financial Management and Budget Organization Plan. This plan defines the roles and responsibilities for the receipt, budgeting, and disbursement of funds provided to the Court by the United States Congress, via the Judicial Conference and the A.O.

Each year, the A.O. provides the Court with budget allotments for salaries, operating expenses, and automation. These budget allotments are determined by formulas based on variables such as the number of bankruptcy filings, current authorized judgeships, judicial staffing, and Clerk's Office staffing levels.

At the start of each fiscal year, the Court develops a spending plan to implement its operating objectives within the confines of the budget allotments. Throughout the year, the Court continually monitors expenditures, which may necessitate the reevaluation and reprioritization of scheduled projects.

Since fiscal year 1999 (October 1, 1999 through September 30, 2000) through fiscal year 2004 (October 1, 2002 through September 30, 2004), the Court has received successively declining budget allotment amounts. There has been a 7.0% decrease in allotments provided to the Court since fiscal year 1999 through fiscal year 2004.

Figure 5
United States Bankruptcy Court - Central District of California
Budget Allotments
FY2000-2004



The Bankruptcy Court for the Central District of California occupies approximately 469,281 square feet of space from the General Services Administration (GSA). (GSA is the building manager 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 rooms, and miscellaneous space (which includes restrooms, hallways, and storage space).

Figure 6
United States Bankruptcy Court - Central District of California
Square Footage By Division: 2004

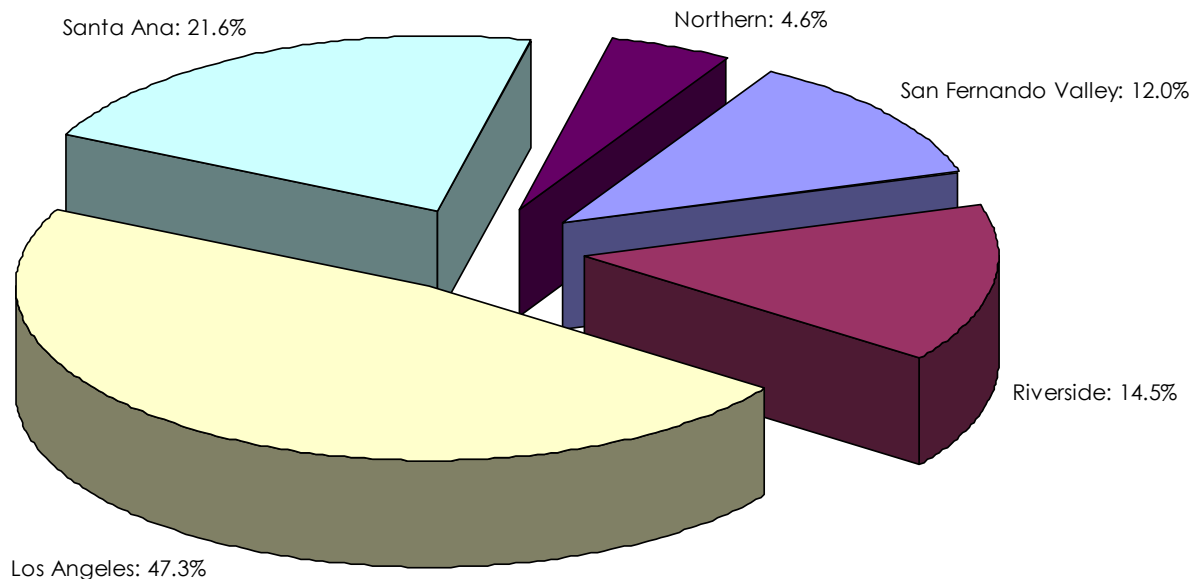


Table 7
United States Bankruptcy Court - Central District of California
Facilities Breakdown: 2004

Division	Usage Sq. Ft.	Percent
Conf./Training:	23,571	5.1%
Miscellaneous:	31,656	6.9%
Judges' Chambers:	40,752	8.9%
Courtrooms:	54,728	11.9%
Office:	308,357	67.2%
Total:	459,064	100%



Section III F

Board of Judges

The Board of Judges consists of all of the bankruptcy judges in the Central District. The purpose of the Board of Judges is outlined in the Court Governance Plan and includes establishing overall administrative policies for the Court.

The Chief Judge plays a strategic leadership role in court management and stewardship by defining strategic goals, ensuring the Court is administered effectively and efficiently, and setting management principles and standards of the Court. The Chief Judge serves a three-year term, limited to two consecutive terms, and has many diverse duties that include:

- Serving as chief presiding officer of the Court.
- Delegating responsibility and maintaining oversight of financial management, personnel, procurement, space and facilities, property management, and property disposal.
- Chairing the Executive Committee and Board of Judges.
- Keeping all judges fully and timely informed of matters of Court-wide interest.
- Serving as spokesperson for the Court.
- Monitoring the case management system, identifying problems, and initiating change.
- Creating judicial committees.

**PHOTO NOT AVAILABLE
FOR PUBLIC VIEWING**

Chief Judge Barry Russell

**PHOTO NOT AVAILABLE
FOR PUBLIC VIEWING**

**Jon D. Ceretto,
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 managing Clerk's Office personnel.
- Advising the Board of Judges and the Chief Judge on administrative and policy matters.
- Acting as the Clerk's Office liaison with civic, community, and professional organizations.



APPENDICES

Section IV

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The third revision of the Long Range Plan for the United States Bankruptcy Court, Central District of California, was approved by the Board of Judges on September 28, 2001. The Court issued its first plan in April 1994, and completed a substantial revision in March 1998.

The Plan addresses the Court's strategy for meeting the challenges it will face in the years ahead. It reflects recent changes in the Court's environment, such as new technology and dwindling resources, while continuing to promote advancements in efficiency, customer service, staff development, and ethical conduct.

The September 2001 Plan is divided into four categories: (1) immediate, high-priority objectives; (2) long-term priorities; (3) maintenance goals (i.e., items that have been completed, but continue to be monitored so there is no decline); and (4) a historical list of accomplishments relating to the objectives identified in previous versions of the Court's Plan.

The Long Range Plan is organized into six key planning areas:

- Leadership (LD) - page 54
- Ethics and Standards of Conduct (ES) - page 56
- Case Management (CM) - page 57
- Community Relations (CR) - page 63
- Human Resources (HR) - page 66
- Space and Facilities (SF) - page 75

The Court's accomplishments in fulfilling the Long Range Plan are detailed on pages 54-75.



Issue: Leadership (LD)

Goal Number: LD1

Description: Develop leadership skills throughout the Court.

Accomplishments: Significant efforts have been made to enhance leadership skills throughout the Court. Leadership Training Completed: Federal Court Leadership Program, Adaptive Manager, Peer Coaching, Teamwork Essentials, Applied Supervision, Deputy Clerk Leadership Training, Performance Management, Zenger-Miller program, Front Line Leadership, CLEAR (Continuing Leadership Education and Realistic) Training, Leadership 2000, Essence of Leadership, Supervising in the Courts, Staff Mentor Program, Peer Coaching, Working Together, Supervisor Development Program and other training.

Tuition Reimbursement Program 1997-2003.

Clerk's Office Retreat Leadership Topics: Analysis of Performance Management Systems; Administering Performance Appraisals, Planning Our Performance Management System; Coping with Change; Hire the Right Person-Effective Interviewing; Exceptional Leaders in Exceptional Organizations (Dr. Arthur Lange); Competency-Based Performance Management; staffing adjustment planning; and other topics. Other Examples of Leadership Development: Appointing project leaders (i.e., eFile Quality Assurance, CIAO!, Digital Recording, CM/ECF), Acting Operations Managers, and Acting Supervisors.

Classifications: Maintenance

Goal Number: LD2

Description: Increase effectiveness of the Court's communication and working relationships with other federal courts, agencies, and Congress.

Accomplishments: Online case files, Judicial Workload Equalization Program (JWEP), Visiting Judge program, U.S. Trustee Liaison Committee, Fraud Task Force, IRS participation in Court's Electronic Bankruptcy Noticing (EBN) program, FAS4T training, participation in various U.S. Agency for International Development programs (Romania, Serbia, China, Mexico, Russia), Methods Analysis Program (MAP), and other projects/programs where Clerk's Office staff participate with and provide support to other agencies and bankruptcy courts.

Free webPACER access provided to certain law enforcement agencies. Worked with U.S. Trustee's Office to create program to randomly assign trustees to chapter 7 cases. Representation on the District Court's Bankruptcy Committee and other District Court Committees, biweekly meetings with the other court unit executives, membership on Circuit and Conference Committees, designated liaisons for the House and Senate, and joint meetings of the District and Bankruptcy Court executive committees. Clerk's appointment to PICO Committee.

Annual Reports provided to our District's Senators and Representatives. Judge Lisa Hill Fenning's written communications to the U.S. House of Representatives regarding the Private Trustee Reform Act of 1997.



Meetings of Judge Geraldine Mund with Senators Dianne Feinstein and Barbara Boxer. Various presentations to Ninth Circuit Committees. Visits to other Courts regarding CM/ECF implementation. Clerk participated as panelist on FJTN program broadcast. Participate in inter-agency Building Security Committees.

Classification: Maintenance

Goal Number: LD3

Description: Improve communication and relations with state courts and legislative branches.

Accomplishments: Free webPACER access provided to certain law enforcement agencies. Bankruptcy Fraud Task Force with state courts. Article 9 training. Judge Robin Riblet represents bankruptcy courts on California State-Federal Judicial Council workgroup.

Classifications: Maintenance

Goal Number: LD4

Description: Initiate and formalize cooperative efforts with professional organizations and groups.

Accomplishments: *Pro bono* programs coordinated with all divisions and local bar associations. Los Angeles County Bar - Chief Judge/Judges/Executive Officer/Senior Staff attend meetings and provide reports; Bankruptcy Forums. Bankruptcy Fraud Task Force. Bench/Bar Committee regarding guidelines for complex chapter 11 cases. Judges' participation in local bar associations and other outside professional organizations. Provide free webPACER access to law professors for research. Hearings held for students at law school for instructional purposes. Implementation of *Court News* (web-based newsletter).

Classifications: Maintenance



Issue: Ethics and Standards of Conduct

Goal Number: ES1

Description: Provide an impartial court environment to all users.

Accomplishments: Utilizing equipment to enable speech-impaired individuals to participate in hearings; handicapped access to facilities. Interpreter policy formulated. Ninth Circuit gender bias program. Judges' training at March 2000 BOJ meeting with Dr. Gordon Zimmerman entitled "Communication Strategies in Bankruptcy Court." *Pro bono* programs provide support to *pro se* debtors.

Classification: Maintenance

Goal Number: ES2

Description: Foster a workplace free of bias.

Accomplishments: EEO/EDR Plan became effective in January 1999, with all staff provided with copies of the plan for their Personnel Handbooks and trained in its provisions. Grievance Procedure/EDR Plan training presented to management staff. Annual EEO report, diversity training, sexual harassment training. Amended EEO/EDR Plan in November 2002. Incorporated amended plan into Personnel Handbook 11/27/02.

Classification: Maintenance

Goal Number: ES3

Description: Foster a courtroom environment free of bias.

Accomplishments: Interpreter policy, Judges' training - Dr. Gordon Zimmerman. *Pro bono* Programs in all divisions.

Classification: Obsolete

Goal Number: ES4

Description: Foster civility within the court environment.

Accomplishments: Clerk's Office staff attended FJC training designed to improve communication skills with co-workers and others. Judges' training at March 2000 BOJ meeting with Dr. Gordon Zimmerman entitled "Communication Strategies in Bankruptcy Court." Interpersonal skills training conducted in October 2003 for Clerk's Office staff. Law school presentations by judges and Clerk's Office staff.

Classification: High Priority

Goal Number: ES4 sub-goal

Description: Create civility guidelines for Court that addresses interactions between judges and public, staff and public, judges and staff, and judges and judges. Furthermore, create a court civility training program for attorneys, judges, and staff.

Accomplishments:

Classification: High Priority



Issue: Case Management (CM)

Goal Number: CM1A

Description: Institute ongoing communication among judges, judicial staff, and Clerk's Office regarding expectations, progress, and case processing performance.

Accomplishments: There is much communication occurring regarding expectations, progress, and performance through monthly, quarterly, and annual reports. Also, there is friendly "competition" between the divisions with operations related performance measures in the areas of data entry quality for new petitions, timeliness of docketing, timeliness and quality of document imaging, and closing of bankruptcy cases and adversary proceedings with monthly feedback provided to staff on performance. Examples of communication include operations related performance measures reporting, Bankruptcy Program Indicators, newsletter articles re: performance, quality measures posted on the Court's web site, intranet access to "Staff News," *Full Court Press*; feedback to staff at various meetings (i.e., Employee of the Month Ceremonies, divisional Employee of the Month/Quarter, Annual Awards Ceremonies, "Clerk's Currency," and Special Recognition Ceremonies). Provide each judge with monthly reports regarding the case aging statistics for his/her cases. Periodic judge/team meetings. Divisional judge meetings with Operations staff.

Classification: Maintenance

Goal Number: CM1B

Description: Develop and implement district-wide quality control program to monitor and evaluate case management functions.

Accomplishments: QC/ICS - Case Initiation review (100%), transcript review, docketing review by Team Leaders, appeal review, re-open policy, dismissal policy, report on cases closed prior to expiration of ten-day appeal period and adversary proceeding QC/ICS program.

Classification: Maintenance

Goal Number: CM1C

Description: Develop and implement a fully automated and integrated bankruptcy fiscal system.

Accomplishments: FAS4T (Financial Accounting System for Tomorrow), ICS (Intake Cashiering System), LAFS (Los Angeles Financial System).

Classification: Completed

**Goal Number: CM2A**

Description: Expand and enhance automated docketing.

Accomplishments: *eFile*, CIAO!, Auto Closing of Discharged Cases, Auto Closing of Dismissed Case, Cmatrix Automated Docketing and Noticing of 341(a) Meetings, automated docketing of notices and certificates of mailing, ICS to NIBS interface, docket-driven events, automated candidate list of dismissals, Closing-to-Image program.

Classification: Completed

Goal Number: CM2B

Description: Determine the feasibility of, and develop an approach for, creating a "paperless" court through the use of an electronic case filing system.

Accomplishments: *eFile*. Online case files, (expanded to include all documents in chapter 7 and chapter 13 cases), posting of most current version of documents (e.g., Docket Code Dictionary, Telephone Directory, forms, various publications) on Court's web site. Implementation of Internet BNC, CIAO!

Classification: Completed

Goal Number: CM2C

Description: Develop and implement "file anywhere, anytime" policy.

Accomplishments: Drop box, use of Citrix server to allow connection to Los Angeles ICS from Santa Ana during DNC. (Concept superseded by *eFile*.)

Classification: Obsolete

Goal Number: CM2D

Description: Develop and implement "Windows-based" case management system.

Accomplishments: Development of various components for NIBS in Visual FoxPro (e.g., auto closing of discharged and dismissed cases, auto docketing and noticing of 341 (a) meeting, Pending Chapter 11 report). Court to converting to CM/ECF in 2005. CIAO!

Classification: Long-Term

Goal Number: CM2E

Description: Convert to one uniform case management system for the entire district.

Accomplishments: *eFile*. All divisions using same integrated versions of NIBS/ICS/CIAO!/VRMS began planning for move to CM/ECF in 2005.

Classification: Completed

**Goal Number: CM2F**

Description: 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.

Accomplishments: Bankruptcy Program Indicators (national), Case Aging Reports, operations related performance measures in the areas of data entry quality for new petitions, timeliness of docketing, timeliness and quality of document imaging, and closing of bankruptcy cases and adversary proceedings, Methods Analysis Program (MAP), transcript review, docketing review, etc. Judicial Practices Task Force.

Classification: Maintenance

Goal Number: CM2G

Description: Eliminate or reduce redundancies and delay points in the processing of cases.

Accomplishments: eFile, Auto closing of Discharged Cases, Auto Closing of Dismissed Cases, Cmatrix, Automated Docketing and Noticing of 341(a) Meetings, automated docketing of notices and certificates of mailing, ICS to NIBS interface, Closing-to-Image, docket-driven events, JOGS (Phase II), CIAO!.

Classification: Maintenance

Goal Number: CM3A

Description: Implement Court-wide, uniform self-calendaring system.

Accomplishments: Self-Calendaring systems implemented by all judges. Judges have taken steps to standardize self-calendaring.

Classification: Long-Term

Goal Number: CM3B

Description: Develop uniform system for early publication of tentative rulings.

Accomplishments: CIAO! enables tentative rulings.

Classification: Completed

**Goal Number: CM4A**

Description: Implement video conferencing pilot project in at least four divisional offices within the district.

Accomplishments: All divisions equipped with video hearing technology.

Classification: Completed

Goal Number: CM4B

Description: Implement an electronic files system within the Court to make documents available online to all interested parties.

Accomplishments: Online case files available in all divisions. All chapter 7 and chapter 13 documents online.

Classification: Completed

Goal Number: CM4C

Description: Review and determine the feasibility and desirability of accepting filings by fax.

Accomplishments: Superseded by *eFile*.

Classification: Obsolete

Goal Number: CM4D

Description: Develop and implement an automated system to provide case information.

Accomplishments: webPACER, Voice Case Information System (VCIS), online case files, Court's web site (for high profile cases).

Classification: Maintenance

Goal Number: CM4E

Description: Develop and implement an automated system to provide calendar information and self-scheduling capability.

Accomplishments: Court calendar automated through Court Calendar Program (CCP) in all divisions, with data available through webPACER and lobby kiosks. CCP replaced by CIAO!. Self-scheduling for all judges also available via call management systems and the Court's web site.

Classification: Completed

**Goal Number: CM4F**

Description: Develop an online universal forms catalog.

Accomplishments: Court's web site provides staff and the public with all petition packages, Local Bankruptcy Rules Forms, and other forms (many in fillable format).

Classification: Completed

Goal Number: CM4G

Description: Develop a cross-referenced topical index system for Court committee and Board of Judges discussions and actions to track issues, decisions, and implementation.

Accomplishments:

Classification: Long-Term

Goal Number: CM5A

Description: Revise, simplify, and renumber the *Local Bankruptcy Rules*. Coordinate with the District, Circuit, and Local Advisory Committee on Bankruptcy Rules projects regarding local rule organizational structure.

Accomplishments: Revision of *Local Bankruptcy Rules* completed, including the modification of the numbering system to conform to the national rules.

Classification: Completed

Goal Number: CM6A

Description: Create guidelines for complex chapter 11 case management.

Accomplishments: Procedures for handling all chapter 11 cases developed and approved by the Board of Judges (General Order 02-02).

Classification: Completed

Goal Number: CM6B

Description: Eliminate wasteful and inefficient judicial variances without inappropriately interfering with a judge's judicial responsibilities.

Accomplishments: Judicial Practices Task Force sought input from bar regarding judicial practices and studied impact of judicial practices on Clerk's Office. Judicial Variance Subcommittees. Voluntary judicial performance surveys.

Classification: High Priority

**Goal Number: CM6C**

Description: In the next 12 to 24 months, the Court will implement the automation priorities in the following order: (1) A.O. - directed Lotus Notes e-mail conversion; (2) electronic filing; (3) upgrade the DCN to the new A.O. standards (frame-relay and gigabit speed); (4) new desktop operating system; and (5) develop and implement a new calendaring program.

Accomplishments: (1) Developed plan and training program for Court's migration to Lotus Notes 5 from cc:Mail. Since then, the Court has migrated to Lotus Notes 6. (2) Phase I of the eFile system developed for the electronic filing of Relief From Stay motions, Phase II of pilot program (adversary filings) implemented in 12/02, Phases I and II opened to all registered attorneys in early 2003. Phase III (chapter 7 filings) opened to all registered attorneys in December 2003. Phase IV (chapter 13 filings) opened to all registered attorneys in September 2004. (3) Gigabyte upgrade completed; frame relay conversion completed. (4) Pilot testing of Windows 2000 and Windows XP completed, with selection for Windows XP as operating system. (5) CIAO! implemented district-wide in 2003; CIAO! v3.0 (for CM) under development.

Classification: Completed



Issue: Community Relations (CR)

Goal Number: CR1A

Description: Establish relationship with minority and culturally diverse bar organizations.

Accomplishments: Judges created Diversity Outreach Task Force in 2003.

Classification: Long-Term

Goal Number: CR1B

Description: Make frequently-used informational documents available in multiple languages.

Accomplishments: Separate pamphlets of general bankruptcy information for chapters 7, 11, and 13 available in Spanish on the Court's web site and at divisions. Selected information about reaffirmation agreements and the Debtor Assistance Project in Spanish.

Classification: Maintenance

Goal Number: CR1C

Description: Determine information needs of community via surveys, focus groups, and interviews.

Accomplishments: Customer Service Survey available on the Court's web site and at each division. Judicial Variance Survey.

Classification: Long-Term

Goal Number: CR1C sub-goal

Description: Use the focus group process in the areas of chapter 7 and 13 cases to achieve CR1C.

Accomplishments: Sub-goal. Bar/bench lunches, brown bag lunches open to the community. Other forums held.

Classification: Maintenance

Goal Number: CR1D

Description: Make translation services available, as feasible.

Accomplishments: Translation services currently available within AO guidelines and a list of qualified interpreters (language and sign) are available through the J-Net. Bilingual staff provide support as needed in Clerk's Office. CA(C) Bankruptcy Court Interpreter policy (April 2001).

Classification: Completed

**Goal Number: CR2A**

Description: Initiate periodic, outside input on court operations.

Accomplishments: Methods Analysis Program (MAP), Customer Service Survey available on the Court's web site and at each division. Judicial Performance Survey. Input from eFile pilot attorneys, U.S. Trustee, and panel trustees.

Classification: Maintenance

Goal Number: CR3A

Description: Conduct evaluation of public education needs concerning bankruptcy-related issues and recommended solutions.

Accomplishments: Education materials available to the public on the Court's web site. Customer Service Survey available on the Court's web site and at each division. U.S. Trustee educational program for high school students on the use of credit. Judges formed a Student Credit Education Task Force to provide basic financial training to high school students.

Classification: Maintenance

Goal Number: CR3B

Description: Establish regular communication with and provide appropriate bankruptcy-related educational materials and programs to community groups and educational institutions.

Accomplishments: Judges and Clerk's Office staff speak at many functions. Petition packages. *Pro bono* programs in all divisions. Mediation Program materials available on Court's web site. Required Education for Debtors (RED) pilot program for chapter 13 debtors. Clerk member of Ninth Circuit PICO Committee. Judges lecture at law schools. Judges formed a Student Credit Education Task Force to provide basic financial training to high school students.

Classification: Completed

Goal Number: CR3C

Description: Explore opportunities and make available Court representatives to participate in the education of the public concerning issues related to bankruptcy.

Accomplishments: Judges and Clerk's Office staff speak at many functions. *Pro bono* programs in all divisions. Public Information areas provide the public with a video presentation on the bankruptcy process, printed information and forms, as well as *pro bono* referrals. Required Education for Debtors (RED) pilot program for chapter 13 debtors. Judges lecture at law schools.

Classification: Maintenance

**Goal Number: CR3D**

Description: Initiate and maintain a regular liaison with local members of Congress.

Accomplishments: Creation of Legislation Liaison Committee.

Classification: Maintenance

Goal Number: CR4A

Description: 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.

Accomplishments: *Pro bono* programs in all divisions.

Classification: Obsolete

Goal Number: CR4B

Description: Establish a *pro bono* program at each divisional office location.

Accomplishments: *Pro bono* programs established in all divisions.

Classification: Completed



Issue: Human Resources (HR)

Goal Number: HR1A

Description: Establish accurate, specific, uniform, and comprehensive job descriptions and recruitment bulletins.

Accomplishments: Job descriptions/titles standardized district-wide. Recruitment expanded to the Court's web site. Recruitment bulletins redesigned to correctly identify required knowledge, skills, and abilities for each position. Development of Court competencies.

Classification: Long-Term

Goal Number: HR1B

Description: Develop training programs to instill problem-solving orientation.

Accomplishments: Team-based training. Ongoing training, including Federal Judicial Television Network training broadcasts, Zenger-Miller programs, etc. Encompassed by HR1E and HR1F. Exchange of best practices among supervisors of different divisions.

Classification: Completed

Goal Number: HR1C

Description: Develop and implement an online training system covering all automated system applications used by the Court.

Accomplishments: Online manuals: NIBS Docket Code Dictionary, Citrix Users Manual, Attorney Admissions Database Instructions, Lotus Notes. eFile procedures for registration, and filing Relief from Stay motions, petitions, and complaints.

Classification: Maintenance

Goal Number: HR1D

Description: Create a training program for all staff using the Code of Conduct.

Accomplishments: Clerk's Office provided a Code of Conduct section for its *Personnel Policies and Information Handbook* in 1996. All Clerk's Office staff were provided with an overview upon its introduction.

Classification: Maintenance

**Goal Number: HR1E**

Description: Develop in-house training programs to prepare staff for broader technical, analytical, and managerial responsibilities, including compliance with government contracting laws.

Accomplishments: Classes provided to staff: Adaptive Manager, Continuity of Operations Plan training, Working, FAS4T, Train the Trainer, Presentation and Development Techniques, Leadership 2000, Hire the Right Person, Applied Supervision, writing and grammar classes, Quattro Pro, WordPerfect, PowerPoint, etc.

Classification: Maintenance

Goal Number: HR1F

Description: Continue the development of training programs to further develop employee job skills.

Accomplishments: Classes provided to staff: writing and grammar classes, software training QuattroPro, WordPerfect, PowerPoint, etc.), customer service, video production, CA(C) operations software (ICS, NIBS, CCP, VRMS, CIAO!, eFile, etc.) and others. Library (list posted on Court's web site) made available to staff consisting of books, audio and video tapes, and DVDs on subjects ranging from communication and management skills to bankruptcy.

Classification: Maintenance

Goal Number: HR1G

Description: Increase training and development of leadership skills at all levels.

Accomplishments: Classes provided to staff: Applied Supervision, Performance Management, Presentation Skills, grammar and writing classes. Cross-training, certification program, staff details, etc. Encourage participation in FJC's Federal Court Leadership Program. All Supervisors enrolled in an FJC sponsored Supervisors Development Program in 2004.

Classification: Maintenance

Goal Number: HR1H

Description: Increase training to develop written communication skills at all levels.

Accomplishments: Writing and grammar classes provided by outside vendor. Detail staff to assess and develop skills (e.g., drafting *Fiscal Manual*).

Classification: Maintenance

**Goal Number: HR1I**

Description: Train staff to recognize and effectively deal with cultural diversity.

Accomplishments: EDR training provided for management staff.

Classification: Maintenance

Goal Number: HR1J

Description: Train staff on providing helpful and courteous service.

Accomplishments: Clerk's Office developed and introduced customer service training program "The Public: How to Deal with Them," and A.O.-sponsored "Deputy Clerks Making a Difference" program, and "Dealing with Difficult People."

Classification: Maintenance

Goal Number: HR1K

Description: Provide increased staff education about importance and role of bankruptcy system in general economy and legal system and tying that education to importance of job performance for real-life concerns of users.

Accomplishments: "Lunch and Learn" programs, "Deputy Clerks Making a Difference," "Introduction to Bankruptcy," and extern and law clerk training.

Classification: Maintenance

Goal Number: HR2A

Description: Improve the performance evaluation process. (Replaced by new goal #HR6B.)

Accomplishments: Performance Evaluation (PE) form simplified, management staff received training in improving staff performance through enhanced written evaluations, "Administering Performance Appraisals" training provided, and implementation of Abra (personnel automation) enables management to track performance evaluation due dates to ensure timeliness. Clerk's Office also performs statistical analysis of summary PE ratings for all staff at each division. Automated PE form for Operations positions.

Classification: Completed

Goal Number: HR2B

Description: Establish performance standards. (Replaced by New Goal #HR6B.)

Accomplishments: Within Grade Increase certifications have been combined with the annual Performance Evaluations process, eliminating redundancies and discrepancies in assessing job performance. Synchronized with step increases; track mean/median by division. Performance Management Retreat held for team leaders, supervisors, and managers included classes in analysis of performance management, administering performance appraisals, and planning the Court's performance management system. A Performance Standards Committee reviewed performance standards from other courts and other related material and also drafted performance standards for a number of positions. Implemented competency-based human resources management system for Operations positions.

Classification: Completed

**Goal Number: HR2C**

Description: Develop procedures manual for each position as training tool to encourage uniformity and facilitate establishing performance standards.

Accomplishments: Intake Manual(s), certification training, comprehensive docketing procedures, established uniform district-wide policies for use of the Order to Comply (ORCO), Case Commencement Deficiency Notice (CCDN), Case Initiation Action Notice (CIAN), and Rejection Notice. CIAO! and eFile manuals. Video Hearing System Users Manual. Updated ICS and Fiscal Manuals. Procedures for file folder label generating software.

Classification: Maintenance

Goal Number: HR2D

Description: Establish consistent performance expectations and measurements for all positions. (Replaced by New Goal #HR6B.)

Accomplishments: District-wide Operations job descriptions were revised and specific skill sets were delineated for each classification. Training outlines identifying expected performance at each level have been created. Certification program developed and implemented. Performance Management Retreat held for management that included classes in analysis of performance management, administering performance appraisals, and planning the Court's performance management system. A Performance Standards Committee was formed that has reviewed performance standards from other courts and other related material and has drafted performance standards for many positions. Worked with OPM to establish court competencies for each Clerk's Office position in court. Revised standards for Operations positions.

Classification: Completed

Goal Number: HR2E

Description: Establish job performance self-evaluation as part of performance review process. (Replaced by New Goal #HR6B.)

Accomplishments: Staff do self-evaluation and submit to supervisor, who considers self-rating before actual evaluation is prepared and discussed with employee. Discrepancies between self and actual ratings are key discussion points during administration of PE.

Classification: Maintenance

Goal Number: HR2F

Description: Monitor and support the transition to automation.

Accomplishments: Measurement of performance on time-to-docket, time-to-image quality, QC/CS, and adversary proceeding QC/ICS. Enhancements are tested and piloted, with employees' experiences and feedback considered before implementation.

Classification: Completed

**Goal Number: HR2G**

Description: Develop and implement a program to enhance employee job satisfaction.

Accomplishments: Annual awards ceremonies. Employee of the Month (district-wide), and various Employee of the Month/Quarter programs in divisions. Cross training of new skills, Certification Program, EAP presented "Coping with Change" in all divisions. "Clerk's Currency Program" and Special Recognition ceremonies.

Classification: Maintenance

Goal Number: HR3A

Description: Create employee feedback mechanisms. (Replaced by New Goal #HR6B.)

Accomplishments: Team-based management structure. Statistics and feedback on: QC/ICS, adversary QC/ICS, docketing quality, case closing, time-to-docket, and imaging speed. PE process/discussions.

Classification: Completed

Goal Number: HR3B

Description: Clarify role definition for chambers and courtroom staff, including Courtroom Deputies, Judicial Assistants, Law Clerks, Electronic Court Recording Operators, and Relief Courtroom Deputies.

Accomplishments: Created new positions of Case Initiation Clerk and Courtroom Services Clerk. New positions reflect new skill sets, new promotional opportunities, cross training opportunities, etc.

Classification: Completed

Goal Number: HR3C

Description: Develop and implement employee orientation program for Clerk's Office and Chambers staff.

Accomplishments: Law clerk/extern training for new law clerks/externs. Full-day orientation for Clerk's Office staff including Personnel Handbook, half-day orientation for judicial staff.

Classification: Completed

Goal Number: HR3D

Description: Improve upward and downward communication among divisions and between divisional offices.

Accomplishments: E-mail, regular senior staff meetings, annual seminars for Team Leaders and above, participants rotated. District-wide training. *Full Court Press*. Joint efforts: NIBS Procedures manual ICS/ NIBS Committee, etc. Group Training: Abra, VRMS, FAS4T, leadership, CIAOI, Privacy Policy, eFile, file folder label generating software. Clerk's Office Quarterly Reports, *Court News*.

Classification: Maintenance

**Goal Number: HR4A**

Description: Provide multilingual service capability (e.g., bilingual staff).

Accomplishments: Translation services currently available within A.O. guidelines and a list of qualified interpreters (language and sign) are available through the J-Net. Bilingual Clerk's Office staff assist public as needed. Written material provided in Spanish with information about bankruptcy Chapters 7, 11, and 13.

Classification: Maintenance

Goal Number: HR4B

Description: Improve human resources programs that ensure parity between the employee force and the labor force.

Accomplishments: Employment Dispute Resolution Plan implemented, commuter benefits, child care, cafeteria plan, flexible spending plan, medical spending accounts, long-term care, retirement services, open season information, COLAs, Family Medical Leave, locality pay differential, tuition reimbursement program, etc. TSP and TSP "Catch-up" provision.

Classification: Maintenance

Goal Number: HR5A

Description: Compare current personnel practices to personnel practices of other organizations and identify possible improvements in each practice.

Accomplishments: Benefits: HR staff members attend Ninth Circuit Annual HR Conferences with A.O.'s Personnel Office and other federal judiciary HR professionals. Compare personnel practices in the areas of recruitment, benefits administration, personnel manual layouts, etc. HR also attended Judiciary Benefits Conferences in 1999 and 2000 to discuss personnel issues and network with other HR professionals. As a result of the conferences: Identified a need to create a Benefits Specialist position to handle the growing area of benefits administration in order to provide more effective service to court staff. Filled the position in March of 2000. Utilized knowledge gained at conferences to assist in implementing reductions in work force in December 2000 and December 2002, which became especially useful in areas of saved grade/saved pay and severance regulations. Able to effectively develop and present training seminars to staff on various benefits programs. As a result of training received, HR's ability to counsel staff on benefits programs, especially in retirement planning area, was enhanced. Based upon A.O. information received at seminars, initiated an ongoing internal HR project to ensure that all staff are classified in correct retirement system. Attended Federal Benefits Conference sponsored by OPM in June 2002.

Classification: Maintenance

Goal Number: HR6A

Description: Create training and staff development programs to address the identified needs of all staff.

Accomplishments: Entered into inter-agency agreement with OPM to identify needs and training programs for all staff. Staff Development Department developed draft needs assessment with OPM. OPM agreement for ITD restructuring. OPM agreement for competencies for administrative positions. Interpersonal Skills Training for Operations staff.

Classification: Long-Term

**Goal Number: HR6B**

Description: Redesign employee performance evaluation process to incorporate performance standards and measurement, convey performance expectations, and provide employee feedback mechanisms.

Accomplishments: Staff Development Department worked with OPM to create and implement competency-based human resources management system.

Classification: Long-Term

Goal Number: HR6C

Description: Conduct a needs assessment to identify training and development needs as they are reflected in the Mission Statement, duties and goals of the area of assignment and/or in the performance review process. Incorporate a competency gap analysis into the assessment process.

Accomplishments: Drafted needs assessment for all Operations positions. Currently working on completing needs assessment for administrative staff. Competency gap analysis initiated and will be completed at the conclusion of the needs assessment rollout.

Classification: High Priority

Goal Number: HR6D

Description: Develop and implement a method for evaluating training and development to ensure application of skills learned.

Accomplishments: Researched methods to evaluate training and development of staff.

Classification: High Priority

Goal Number: HR6E

Description: Develop and implement a program for succession planning to ensure the availability of a highly qualified work force to cover vacancies experienced through retirement, promotion, and other attrition.

Accomplishments: Competency-based human resources system implemented, which will ensure effective succession planning. All Supervisors enrolled in FJC's Supervisor Development Program.

Classification: Long-Term

Goal Number: HR6F

Description: Create individual development plans for Clerk's Office staff which specify the training and development activities the employee was involved in during that previous rating period, the impact those activities had on the individual's performance, and the educational activities which would enhance performance during the next rating period.

Accomplishments: Draft individual development plans completed as part of OPM inter-agency agreement. OPM agreement for ITD restructuring. OPM agreement for competencies for administrative positions.

Classification: Long-Term

**Goal Number: HR6G**

Description: Enhance HR and employee communication through implementation of programs to provide "Employee Self-Service."

Accomplishments: Implemented Abra ESS district-wide providing all Clerk's Office and judicial staff with access to HR information from desktop.

Classification: High Priority

Goal Number: HR6H

Description: Revise Personnel Policies and Information Handbook and make available on web site.

Accomplishments: The Personnel Policies and Information Handbook has been posted to the Court's web site.

Classification: Completed

Goal Number: HR6I

Description: Develop mechanism to automate recording of time and attendance, ensuring that all audit guidelines are followed.

Accomplishments: Deployed Abra ESS to all desktops PC's to facilitate automated method of recording time and attendance.

Classification: Long-Term

Goal Number: HR6J

Description: Develop a management training program regarding the *Personnel Policies and Information Handbook* to ensure Court-established guidelines are followed.

Accomplishments:

Classification: Long-Term

Goal Number: HR6K

Description: Provide a comprehensive training program to employees regarding all Federal employee benefits.

Accomplishments: Created position of Benefits Specialist. Specialist developed and conducted training in all divisions on following subjects: CSRS, FERS, and TSP.

Classification: Maintenance

**Goal Number: HR6L**

Description: Develop a supervisory training/orientation program on HR policies and procedures including time and attendance, performance evaluation, and jury service.

Accomplishments: Supervisory Development Program.

Classification: Long-Term

Goal Number: HR6M

Description: Establish an employee development component as part of the recruitment process to provide career counseling to employees applying for positions where they are minimally qualified, but not competitive.

Accomplishments: Staff Development Department worked with OPM to create court competencies.

Classification: Long-Term

Goal Number: HR6N

Description: Develop a program for judges and their staffs to foster appreciation and understanding of the duties, responsibilities, and contributions that deputy clerks make to the Court.

Accomplishments: Establishment of Judge teams in Operations and regular meetings including Judge.

Classification: Long-Term



Issue: Space and Facilities (SF)

Goal Number: SF1A

Description: Establish automated information systems in Court lobbies for tentative rulings and Court calendar information.

Accomplishments: Kiosks in lobbies display judicial calendars.

Classification: Completed

Goal Number: SF1B

Description: Establish *pro bono* lawyer consultation rooms in Court intake offices.

Accomplishments: Facilities provided at Clerk's Offices for reaffirmation counseling (*pro bono*).

Classification: Completed

Goal Number: SF1C

Description: Factor technology needs of public users into the development of facilities (for example, space for portable terminals, copiers).

Accomplishments: Electric outlets in public carrels. Free on-site webPACER access; multiple terminals. Print-on-Demand. Policy on use of personal photocopiers.

Classification: Completed

Goal Number: SF2A

Description: Advocate revision of A.O. Design Guides and GSA Standards and 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).

Accomplishments: At the national level, the December 1997 revision of the *U.S. Courts Design Guide* addressed some of these issues including employee break rooms, restrooms, and handicapped access.

Classification: Completed

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LIST OF EXHIBITS

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Exhibit 7	Comparison of Adversary Proceedings Filed and Closed: 2000-2004
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Exhibit 1
United States Bankruptcy Court - Central District of California
Annual Bankruptcy Filings: 1980-2004

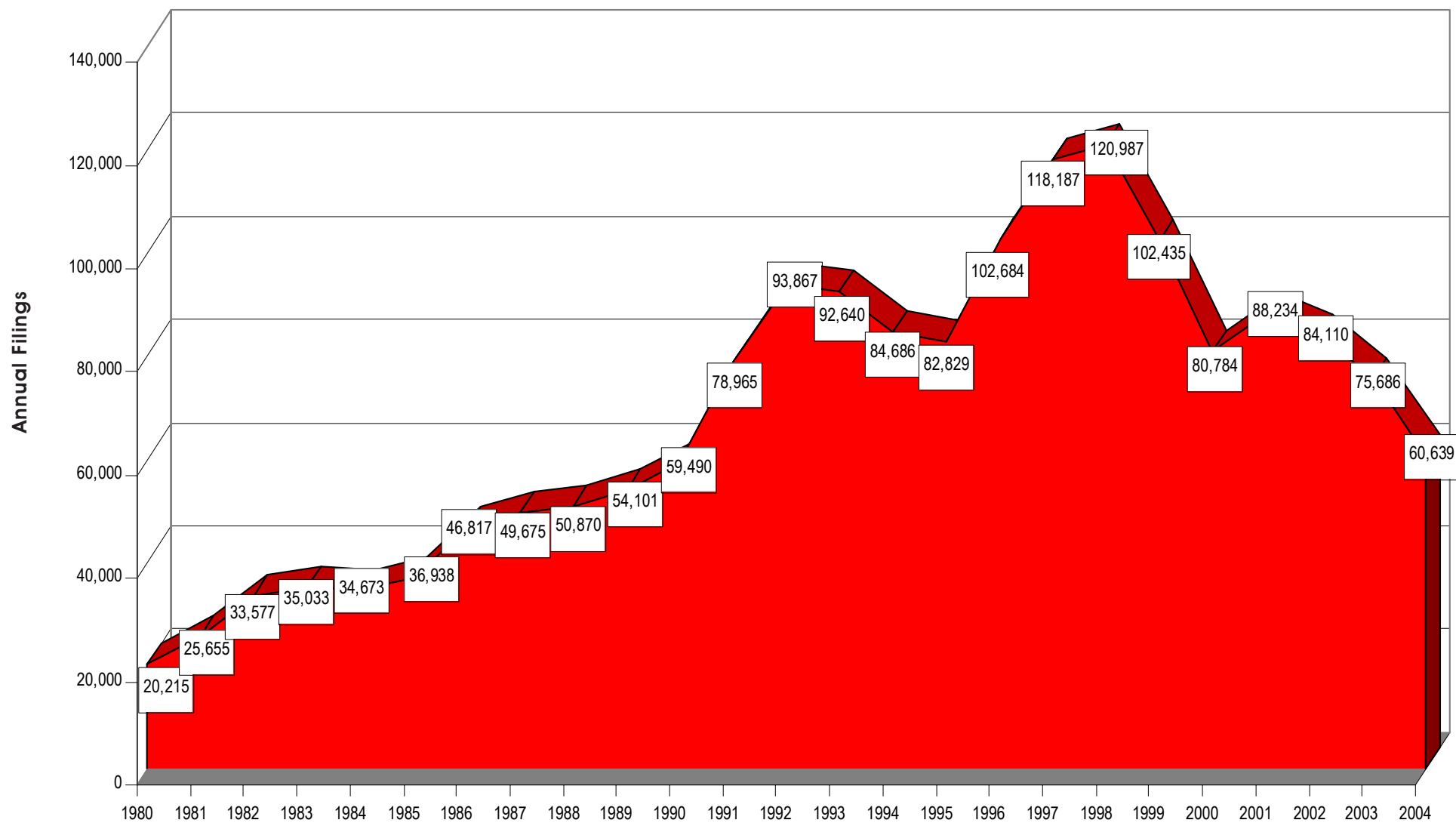


Exhibit 2
United States Bankruptcy Court - Central District of California
Bankruptcy Filings and Percentage Change: 1980-2004

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1980	17,935	N/A	317	N/A	1,963	N/A	20,215	N/A
1981	19,145	6.7%	787	148.3%	5,723	191.5%	25,655	26.9%
1982	21,027	9.8%	2,022	156.9%	10,528	84.0%	33,577	30.9%
1983	21,831	3.8%	2,128	5.2%	11,074	5.2%	35,033	4.3%
1984	22,669	3.8%	2,003	-5.9%	10,001	-9.7%	34,673	-1.0%
1985	25,983	14.6%	1,937	-3.3%	9,018	-9.8%	36,938	6.5%
1986	34,286	32.0%	2,079	7.3%	10,452	15.9%	46,817	26.7%
1987	38,097	11.1%	1,675	-19.4%	9,903	-5.3%	49,675	6.1%
1988	39,962	4.9%	1,360	-18.8%	9,548	-3.6%	50,870	2.4%
1989	41,869	4.8%	1,394	2.5%	10,838	13.5%	54,101	6.4%
1990	47,663	13.8%	1,482	6.3%	10,345	-4.5%	59,490	10.0%
1991	64,338	35.0%	2,272	53.3%	12,355	19.4%	78,965	32.7%
1992	76,842	19.4%	2,542	11.9%	14,483	17.2%	93,867	18.9%
1993	74,864	-2.6%	2,423	-4.7%	15,353	6.0%	92,640	-1.3%
1994	65,933	-11.9%	2,057	-15.1%	16,696	8.7%	84,686	-8.6%
1995	66,276	0.5%	1,449	-29.6%	15,104	-9.5%	82,829	-2.2%
1996	83,366	25.8%	1,065	-26.5%	18,253	20.8%	102,684	24.0%
1997	96,277	15.5%	911	-14.5%	20,999	15.0%	118,187	15.1%
1998	99,461	3.3%	622	-31.7%	20,904	-0.5%	120,987	2.4%
1999	82,623	-16.9%	472	-24.1%	19,340	-7.5%	102,435	-15.3%
2000	64,183	-22.3%	573	21.4%	16,028	-17.1%	80,784	-21.1%
2001	73,179	14.0%	573	0.0%	14,482	-9.6%	88,234	9.2%
2002	69,940	-4.4%	484	-15.5%	13,686	-5.5%	84,110	-4.7%
2003	65,227	-6.7%	371	-23.3%	10,088	-26.3%	75,686	-10.0%
2004	54,892	-15.8%	302	-18.6%	5,445	-46.0%	60,639	-19.9%

LOS ANGELES DIVISION

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1980	12,430	N/A	202	N/A	1,041	N/A	13,673	N/A
1981	13,055	5.0%	508	151.5%	4,162	299.8%	17,725	29.6%
1982	13,868	6.2%	1,291	154.1%	7,655	83.9%	22,814	28.7%
1983	14,825	6.9%	1,361	5.4%	8,074	5.5%	24,260	6.3%
1984	15,950	7.6%	1,309	-3.8%	7,484	-7.3%	24,743	2.0%
1985	18,051	13.2%	1,263	-3.5%	6,473	-13.5%	25,787	4.2%
1986	23,206	28.6%	1,423	12.7%	7,169	10.8%	31,798	23.3%
1987	25,599	10.3%	1,125	-20.9%	6,392	-10.8%	33,116	4.1%
1988	26,365	3.0%	886	-21.2%	5,746	-10.1%	32,997	-0.4%
1989	28,017	6.3%	870	-1.8%	5,423	-5.6%	34,310	4.0%
1990	32,306	15.3%	1,008	15.9%	5,718	5.4%	39,032	13.8%
1991	42,894	32.8%	1,586	57.3%	7,107	24.3%	51,587	32.2%
1992	47,853	11.6%	1,768	11.5%	8,678	22.1%	58,299	13.0%
1993	44,065	-7.9%	1,694	-4.2%	9,286	7.0%	55,045	-5.6%
1994	27,701	-37.1%	1,190	-29.8%	9,189	-1.0%	38,080	-30.8%
1995	26,661	-3.8%	700	-41.2%	7,485	-18.5%	34,846	-8.5%
1996	34,165	28.1%	518	-26.0%	8,989	20.1%	43,672	25.3%
1997	39,533	15.7%	498	-3.9%	10,086	12.2%	50,117	14.8%
1998	42,181	6.7%	343	-31.1%	10,721	6.3%	53,245	6.2%
1999	36,837	-12.7%	220	-35.9%	10,668	-0.5%	47,725	-10.4%
2000	28,008	-24.0%	203	-7.7%	8,306	-22.1%	36,517	-23.5%
2001	32,010	14.3%	296	45.8%	7,009	-15.6%	39,315	7.7%
2002	30,626	-4.3%	181	-38.9%	6,252	-10.8%	37,059	-5.7%
2003	28,661	-6.4%	146	-19.3%	4,380	-29.9%	33,187	-10.4%
2004	24,664	-13.9%	153	4.8%	2,204	-49.7%	27,021	-18.6%

Exhibit 2 (continued)
SAN FERNANDO VALLEY DIVISION

(Filings prior to 1992 were included in Los Angeles Division)

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1994	8,560	N/A	261	N/A	1,859	N/A	10,680	N/A
1995	8,524	-0.4%	239	-8.4%	1,794	-3.5%	10,557	-1.2%
1996	12,470	46.3%	167	-30.1%	2,836	58.1%	15,473	46.6%
1997	14,451	15.9%	131	-21.6%	3,466	22.2%	18,048	16.6%
1998	14,490	0.3%	62	-52.7%	3,531	1.9%	18,083	0.2%
1999	12,005	-17.1%	68	9.7%	3,088	-12.5%	15,161	-16.2%
2000	9,344	-22.2%	101	48.5%	2,284	-26.0%	11,729	-22.6%
2001	10,123	8.3%	76	-24.8%	2,164	-5.3%	12,363	5.4%
2002	9,652	-4.7%	68	-10.5%	2,019	-6.7%	11,739	-5.0%
2003	9,063	-6.1%	52	-23.5%	1,505	-25.5%	10,620	-9.5%
2004	7,440	-17.9%	45	-13.5%	873	-42.0%	8,358	-21.3%

RIVERSIDE DIVISION

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1980	2,324	N/A	25	N/A	417	N/A	2,766	N/A
1981	2,886	24.2%	91	264.0%	696	66.9%	3,673	32.8%
1982	3,370	16.8%	200	119.8%	1,354	94.5%	4,924	34.1%
1983	3,394	0.7%	202	1.0%	1,540	13.7%	5,136	4.3%
1984	3,255	-4.1%	220	8.9%	1,384	-10.1%	4,859	-5.4%
1985	3,994	22.7%	194	-11.8%	1,363	-1.5%	5,551	14.2%
1986	5,622	40.8%	194	0.0%	1,861	36.5%	7,677	38.3%
1987	6,483	15.3%	166	-14.4%	2,091	12.4%	8,740	13.8%
1988	7,403	14.2%	164	-1.2%	2,570	22.9%	10,137	16.0%
1989	7,838	5.9%	162	-1.2%	3,428	33.4%	11,428	12.7%
1990	8,017	2.3%	164	1.2%	2,908	-15.2%	11,089	-3.0%
1991	11,494	43.4%	229	39.6%	3,255	11.9%	14,978	35.1%
1992	14,715	28.0%	237	3.5%	3,613	11.0%	18,565	23.9%
1993	15,080	2.5%	213	-10.1%	3,737	3.4%	19,030	2.5%
1994	13,846	-8.2%	189	-11.3%	3,128	-16.3%	17,163	-9.8%
1995	15,015	8.4%	146	-22.8%	3,343	6.9%	18,504	7.8%
1996	18,484	23.1%	116	-20.5%	3,841	14.9%	22,441	21.3%
1997*	18,616	0.7%	77	-33.6%	4,093	6.6%	22,786	1.5%
1998*	21,761	16.9%	65	-15.6%	4,062	-0.8%	25,888	13.6%
1999	18,110	-16.8%	48	-26.2%	3,658	-9.9%	21,816	-15.7%
2000	14,933	-17.5%	93	93.8%	3,951	8.0%	18,977	-13.0%
2001	17,540	17.5%	46	-50.5%	4,080	3.3%	21,666	14.2%
2002	17,026	-2.9%	67	45.7%	4,185	2.6%	21,278	-1.8%
2003	15,445	-9.3%	64	-4.5%	3,266	-22.0%	18,775	-11.8%
2004	12,306	-20.3%	31	-51.6%	1,751	-46.4%	14,088	-25.0%

* 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 2 (continued)								
SANTA ANA DIVISION								
Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1980	3,181	N/A	90	N/A	505	N/A	3,776	N/A
1981	3,204	0.7%	188	108.9%	865	71.3%	4,257	12.7%
1982	3,789	18.3%	531	182.4%	1,519	75.6%	5,839	37.2%
1983	3,612	-4.7%	565	6.4%	1,460	-3.9%	5,637	-3.5%
1984	3,464	-4.1%	474	-16.1%	1,133	-22.4%	5,071	-10.0%
1985	3,938	13.7%	480	1.3%	1,182	4.3%	5,600	10.4%
1986	5,458	38.6%	462	-3.8%	1,422	20.3%	7,342	31.1%
1987	6,015	10.2%	384	-16.9%	1,420	-0.1%	7,819	6.5%
1988	6,194	3.0%	310	-19.3%	1,232	-13.2%	7,736	-1.1%
1989	6,014	-2.9%	362	16.8%	1,987	61.3%	8,363	8.1%
1990	7,340	22.0%	310	-14.4%	1,719	-13.5%	9,369	12.0%
1991	9,950	35.6%	457	47.4%	1,993	15.9%	12,400	32.4%
1992	12,095	21.6%	416	-9.0%	1,841	-7.6%	14,352	15.7%
1993	11,933	-1.3%	394	-5.3%	1,764	-4.2%	14,091	-1.8%
1994	10,929	-8.4%	301	-23.6%	1,945	10.3%	13,175	-6.5%
1995	11,149	2.0%	285	-5.3%	1,933	-0.6%	13,367	1.5%
1996	13,361	19.8%	217	-23.9%	2,036	5.3%	15,614	16.8%
1997*	17,839	33.5%	171	-21.2%	2,647	30.0%	20,657	32.3%
1998*	15,548	-12.8%	124	-27.5%	1,936	-26.9%	17,608	-14.8%
1999	11,449	-26.4%	119	-4.0%	1,405	-27.4%	12,973	-26.3%
2000	8,599	-24.9%	150	26.1%	1,094	-22.1%	9,843	-24.1%
2001	9,736	13.2%	118	-21.3%	899	-17.8%	10,753	9.2%
2002	9,092	-6.6%	141	19.5%	924	2.8%	10,157	-5.5%
2003	8,780	-3.4%	77	-45.4%	714	-22.7%	9,571	-5.8%
2004	7,434	-15.3%	53	-31.2%	443	-38.0%	7,930	-17.1%
NORTHERN DIVISION								
(Filings prior to 1992 were included in Los Angeles Division)								
Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total	% Chg
1992	2,179	N/A	121	N/A	351	N/A	2,651	N/A
1993	3,786	73.7%	122	0.8%	566	61.3%	4,474	68.8%
1994	4,897	29.3%	116	-4.9%	575	1.6%	5,588	24.9%
1995	4,927	0.6%	79	-31.9%	549	-4.5%	5,555	-0.6%
1996	4,886	-0.8%	47	-40.5%	551	0.4%	5,484	-1.3%
1997	5,838	19.5%	34	-27.7%	707	28.3%	6,579	20.0%
1998	5,481	-6.1%	28	-17.6%	654	-7.5%	6,163	-6.3%
1999	4,222	-23.0%	17	-39.3%	521	-20.3%	4,760	-22.8%
2000	3,299	-21.9%	26	52.9%	393	-24.6%	3,718	-21.9%
2001	3,770	14.3%	37	42.3%	330	-16.0%	4,137	11.3%
2002	3,544	-6.0%	27	-27.0%	306	-7.3%	3,877	-6.3%
2003	3,278	-7.5%	32	18.5%	223	-27.1%	3,533	-8.9%
2004	3,048	-7.0%	20	-37.5%	174	-22.0%	3,242	-8.2%

* 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 3
United States Bankruptcy Court - Central District of California
Monthly Closing Performance - Case Filings: 2000-2004 (Adj. for 4 Month Closing Lag)

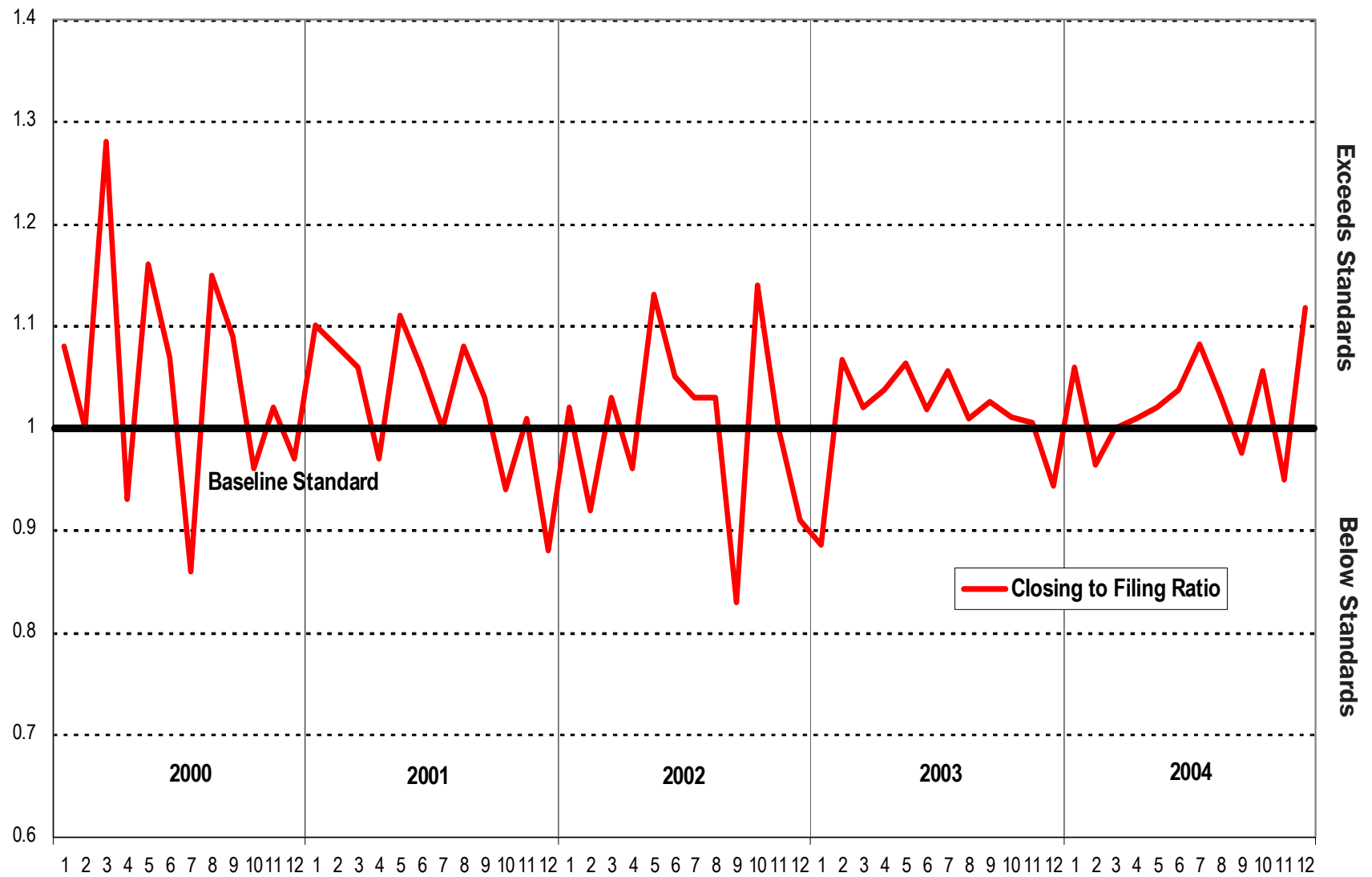
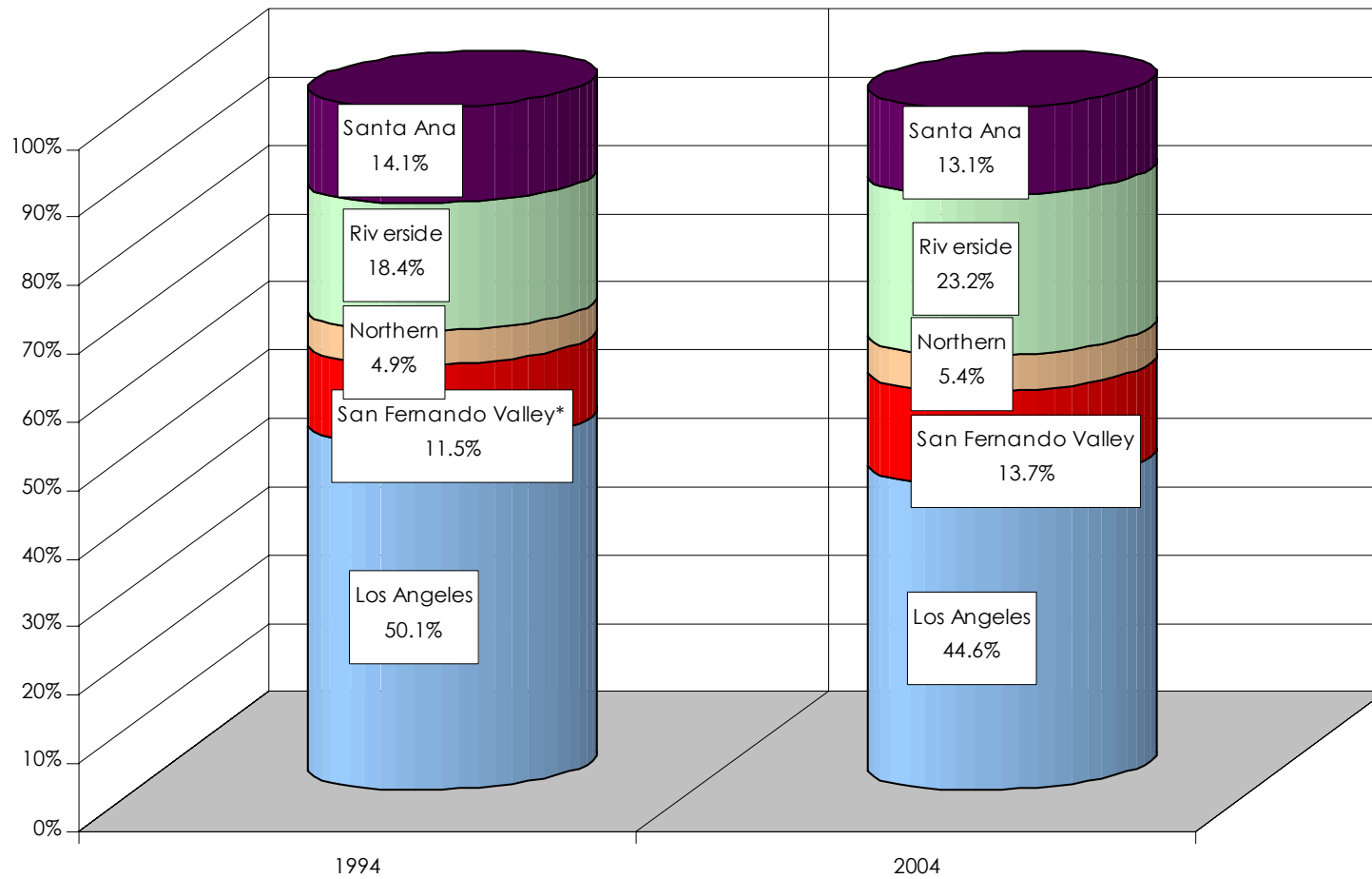


Exhibit 4
United States Bankruptcy Court - Central District of California
Percent of Bankruptcy Filings by Division



*The San Fernando Div ision separated from the Los Angeles Div ision in 1994.

Exhibit 5
CENTRAL DISTRICT OF CALIFORNIA
Comparison of Bankruptcy Filings
2003 vs. 2004

Chapter	2003	2004	% Chg
DISTRICT			
7	65,227	54,892	-15.8%
11	371	302	-18.6%
13	10,088	5,445	-46.0%
Total	75,686	60,639	-19.9%

LOS ANGELES DIVISION

7	28,661	24,664	-13.9%
11	146	153	4.8%
13	4,380	2,204	-49.7%
Total	33,187	27,021	-18.6%

RIVERSIDE DIVISION

7	15,445	12,306	-20.3%
11	64	31	-51.6%
13	3,266	1,751	-46.4%
Total	18,775	14,088	-25.0%

SANTA ANA DIVISION

7	8,780	7,434	-15.3%
11	77	53	-31.2%
13	714	443	-38.0%
Total	9,571	7,930	-17.1%

NORTHERN DIVISION

7	3,278	3,048	-7.0%
11	32	20	-37.5%
13	223	174	-22.0%
Total	3,533	3,242	-8.2%

SAN FERNANDO VALLEY DIVISION

7	9,063	7,440	-17.9%
11	52	45	-13.5%
13	1,505	873	-42.0%
Total	10,620	8,358	-21.3%

Exhibit 6
CENTRAL DISTRICT OF CALIFORNIA
Comparison of Bankruptcy Closings
2003 vs. 2004

Chapter	2003	2004	% Chg
DISTRICT			
7	69,616	58,280	-16.3%
11	362	336	-7.2%
13	11,873	10,388	-12.5%
Total	81,851	69,004	-15.7%

LOS ANGELES DIVISION

7	30,697	26,195	-14.7%
11	156	152	-2.6%
13	4,679	4,439	-5.1%
Total	35,532	30,786	-13.4%

RIVERSIDE DIVISION

7	16,633	13,188	-20.7%
11	44	34	-22.7%
13	3,962	3,424	-13.6%
Total	20,639	16,646	-19.3%

SANTA ANA DIVISION

7	9,249	7,865	-15.0%
11	89	91	2.2%
13	1,003	735	-26.7%
Total	10,341	8,691	-16.0%

NORTHERN DIVISION

7	3,412	3,100	-9.1%
11	23	15	-34.8%
13	330	225	-31.8%
Total	3,765	3,340	-11.3%

SAN FERNANDO VALLEY DIVISION

7	9,625	7,932	-17.6%
11	50	44	-12.0%
13	1,899	1,565	-17.6%
Total	11,574	9,541	-17.6%

Exhibit 7

**United States Bankruptcy Court - Central District of California
Comparison of Adversary Proceedings Filed and Closed: 2000-2004**

Year	Filed	% chg	Closed	% chg	Ratio (Closings/Filings)
DISTRICT					
2000	4,601	-15.8%	5,273	-17.9%	1.15
2001	3,996	-13.1%	4,484	-15.0%	1.12
2002	5,776	44.5%	4,821	7.5%	0.83
2003	6,154	6.5%	5,129	6.4%	0.83
2004	4,739	-23.0%	5,670	10.5%	1.20
LOS ANGELES DIVISION					
2000	2,182	-12.2%	2,360	-22.6%	1.08
2001	1,754	-19.6%	2,044	-13.4%	1.17
2002	2,245	28.0%	2,131	4.3%	0.95
2003	1,987	-11.5%	1,957	-8.2%	0.98
2004	1,949	-1.9%	1,860	-5.0%	0.95
RIVERSIDE DIVISION					
2000	699	-9.0%	854	-6.2%	1.22
2001	618	-11.6%	652	-23.7%	1.06
2002	700	13.3%	607	-6.9%	0.87
2003	1,317	88.1%	821	35.3%	0.62
2004	1,266	-3.9%	1,478	80.0%	1.17
SANTA ANA DIVISION					
2000	814	-26.1%	942	-3.4%	1.16
2001	719	-11.7%	837	-11.1%	1.16
2002	1,222	70.0%	968	15.7%	0.79
2003	2,015	64.9%	1,216	25.6%	0.60
2004	823	-59.2%	1,444	18.8%	1.75
NORTHERN DIVISION					
2000	174	-33.3%	256	-30.8%	1.47
2001	160	-8.0%	151	-41.0%	0.94
2002	304	90.0%	157	4.0%	0.52
2003	332	9.2%	234	49.0%	0.70
2004	162	-51.2%	312	33.3%	1.93
SAN FERNANDO VALLEY DIVISION					
2000	732	-13.6%	854	-23.8%	1.17
2001	745	1.8%	800	-6.3%	1.07
2002	1,305	75.2%	958	19.8%	0.73
2003	503	-61.5%	901	-5.9%	1.79
2004	539	7.2%	576	-36.1%	1.07

Exhibit 8

**United States Bankruptcy Court - Central District of California
Pending Bankruptcy Caseload by Division: 2000-2004***

Year	Ch 7	% Chg	Ch 11	% Chg	Ch 13	% Chg	Total*
DISTRICT							
2000	24,093	-37.70%	984	-16.50%	18,436	-13.20%	43,517
2001	26,471	9.90%	1,053	7.00%	18,471	0.20%	46,001
2002	25,913	-2.10%	964	-8.50%	16,830	-8.90%	43,707
2003	21,997	-15.1%	889	-7.8%	14,656	-12.9%	37,542
2004	18,710	-14.9%	788	-11.4%	9,680	-34.0%	29,178
Los Angeles Division							
2000	10,217	-30.40%	311	-28.80%	7,597	-23.40%	18,035
2001	11,337	11.00%	396	27.30%	7,531	-0.90%	19,264
2002	10,696	-5.70%	340	-14.10%	6,829	-9.30%	17,865
2003	8,847	-17.3%	300	-11.8%	6,375	-6.6%	15,522
2004	7,377	-16.6%	289	-3.7%	4,096	-35.7%	11,762
Riverside Division							
2000	5,638	-16.60%	127	24.50%	4,737	-5.80%	10,504
2001	6,339	12.40%	117	-7.90%	5,288	11.60%	11,747
2002	6,577	3.80%	88	-24.80%	5,113	-3.30%	11,778
2003	5,541	-15.8%	96	9.1%	4,276	-16.4%	9,913
2004	4,694	-15.3%	79	-17.7%	2,581	-39.6%	7,354
Santa Ana Division							
2000	3,653	-22.60%	290	12.40%	2,239	-8.10%	6,183
2001	3,793	3.80%	318	9.70%	1,881	-16.00%	5,993
2002	3,797	0.10%	337	6.00%	1,455	-22.60%	5,590
2003	3,349	-11.8%	314	-6.8%	1,155	-20.6%	4,818
2004	2,907	-13.2%	253	-19.4%	897	-22.3%	4,057
Northern Division							
2000	1,210	-25.60%	57	-9.50%	710	-7.70%	1,978
2001	1,316	8.80%	62	8.80%	643	-9.40%	2,023
2002	1,274	-3.20%	60	-3.20%	512	-20.40%	1,846
2003	1,166	-8.5%	59	-1.7%	389	-24.0%	1,614
2004	1,119	-4.0%	62	5.1%	335	-13.9%	1,516
San Fernando Valley							
2000	3,465	-21.20%	199	23.60%	3,153	5.40%	6,817
2001	3,686	6.40%	160	-19.60%	3,128	-0.80%	6,974
2002	3,569	-3.20%	139	-13.10%	2,921	-6.60%	6,629
2003	3,094	-13.3%	120	-13.7%	2,461	-15.7%	5,675
2004	2,613	-15.5%	105	-12.5%	1,771	-28.0%	4,489

*Does not include Chapters 9 or 12.



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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