

Redbook

LBO Analysis of Executive Budget Proposal

Court of Claims of Ohio

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LBO Redbook

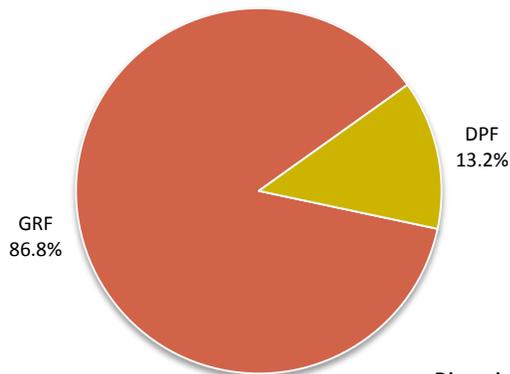
Court of Claims of Ohio

Quick look...

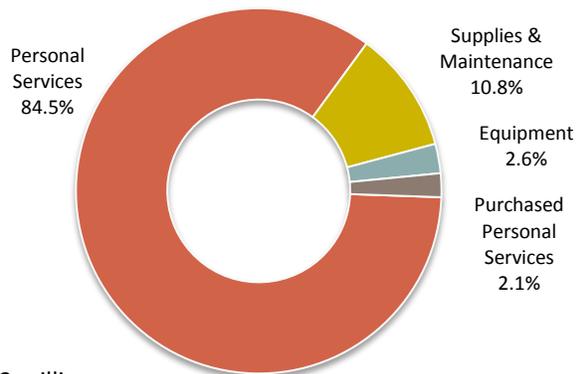
- The Court of Claims hears claims against the state, handles public records claims, and hears appeals of Attorney General crime victims compensation decisions.
- Total budget recommendations: \$4.1 million in both FYs 2020 and 2021.
 - Revenue sources: GRF (87%) and state non-GRF (13%).
 - Nearly 85% of the Courts budget is for personal services (wages, salaries, fringe benefits, and payroll checkoff charges).
- Executive budget appropriates additional GRF for the hiring of 2.5 full-time equivalent staff positions in the Public Records Adjudication Program.

Fund Group	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
General Revenue (GRF)	\$2,946,147	\$3,189,699	\$3,549,611	\$3,579,473
Dedicated Purpose (DPF)	\$443,825	\$480,463	\$537,928	\$541,532
Total	\$3,389,973	\$3,670,162	\$4,087,539	\$4,121,005
% change	--	8.3%	11.4%	0.8%
<i>GRF % change</i>	--	8.3%	11.3%	0.8%

**Chart 1: Claims Budget by Fund Group
FY 2020-FY 2021 Biennium**



**Chart 2: Claims Budget by Expense Category
FY 2020-FY 2021 Biennium**



Biennial total: \$8.2 million

Agency overview

The Court of Claims, established in 1975, is the only statutory court with statewide jurisdiction. Prior to its creation, there was no forum for civil actions filed against the state of Ohio. The Court of Claims' duties include:

- Adjudicating civil actions filed against the state;
- Hearing appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Law;
- Hearing complaints alleging a denial of access to public records; and
- Acting as the states fiduciary agent for processing claims of wrongful imprisonment.

Staffing

Tables 1 and 2 below display staffing levels in terms of full-time equivalent (FTE) staff positions maintained by the Court from FY 2017 projected through FY 2019. Table 1 reflects the number of FTEs for the Courts two major programs: (1) Civil, which includes civil actions against the state, public records adjudication, and wrongful imprisonment claims, and (2) Victims of Crime. Table 2 represents FTEs by type of appointment. It should be noted that a number of employees are part-time. For this reason, the numbers may not illustrate a physical portrayal (i.e., head count) of the Courts staffing.

Program	FY 2017	FY 2018	FY 2019*	FY 2020*	FY 2021*
Civil	21.0	21.1	21.2	23.4	23.4
Crime Victims	3.2	3.2	3.2	3.5	3.5
Total	24.2	24.3	24.4	26.9	26.9

*Estimates

The Court resides in Franklin County and consists of judges who sit by temporary assignment of the Chief Justice of the Supreme Court. The Chief Justice may appoint incumbent justices or judges of the Supreme Court, courts of appeals, or courts of common pleas, or retired justices or judges eligible for active duty pursuant to Division (C) of section 6 of Article IV of the Ohio Constitution. The appointments to the Court are temporary, lasting roughly three months. Many of the judges, however, are reappointed for multiple terms.

Appointment Types	FY2017	FY 2018	FY 2019	FY 2020*	FY 2021*
Permanent Staff	23.7	23.4	23.9	26	26
Temporary Staff	0.0	0.4	0.3	0.0	0.0
Judges	0.5	0.4	0.3	0.9	0.9
Total	24.2	24.2	24.5	26.9	26.9

*Estimates

Analysis of FY 2020-FY 2021 budget proposal

R.C. 107.03(B) states that "no alterations shall be made in the [budget] requests for the legislative and judicial branches of the state filed with the director of budget and management. . . ." Therefore, the Governor has made no alterations to the budget request submitted by the Court of Claims.

The Courts budget consists of five appropriation line items (ALI), three of which are supported by the General Revenue Fund (GRF), and two by a Dedicated Purpose Fund (DPF). The table and Chart 1 shown in the preceding "Quick look" section present the recommended appropriations by fund group. As shown on Chart 1, the proposed budget provides \$4.1 million in each fiscal year, of which 86.8% is supported by the GRF, and 13.2% by state non-GRF.

As shown in Chart 2 in the "Quick look" section, the largest expense category for the Court, at 84.5%, is personal services (wages, salaries, fringe benefits, and payroll checkoff charges). The next largest expense category, at 10.8%, is supplies and maintenance. The remaining two categories, equipment and purchased personal services, combined account for 4.7%.

As mentioned above, the Courts budget is funded by five line items, one of which – Wrongful Imprisonment Compensation – is appropriated on an as-needed basis. Each of these line items is discussed further below.

Operating Expenses (ALI 015321)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 015321, Operating Expenses					
\$2,696,291	\$2,793,183	\$2,443,683	\$2,536,419	\$2,669,835	\$2,692,946
% change	3.6%	-12.5%	3.8%	5.3%	0.9%

The expenses of operating the Court, primarily the Courts Civil Division, are paid with money appropriated to this GRF line item. In each of FY 2020 and FY 2021, approximately 82%, or \$2.2 million, the line items appropriation is allocated for personal services (wages, salaries, fringe benefits, and payroll checkoff charges). Approximately 12%, or roughly \$315,000 to \$340,000, in each fiscal year is allocated for supplies and maintenance, followed by about 3%, or about \$80,000, allocated for equipment. The remaining 2%, or about \$63,000 to \$65,000, in each fiscal year is allocated for purchased personal services.

Wrongful Imprisonment Compensation (ALI 015402)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 015402, Wrongful Imprisonment Compensation					
\$8,357,100	\$4,129,947	\$0	\$114,000	\$0	\$0
% change	-50.6%	-100.0%	--	-100.0%	0.0%

The Court of Claims acts as the states fiduciary agent for processing claims of wrongful imprisonment. When a wrongful imprisonment judgment has been rendered in a court of common pleas, the Controlling Board, upon certification by the Court of Claims, transfers the sum necessary to pay that judgment to the Courts GRF line item 015402, Wrongful Imprisonment Compensation. Since the Controlling Board provides the money for such judgments on an as-needed basis, the Courts line item does not receive a direct appropriation through the main operating appropriations act enacted by each General Assembly. However, once the expenditure is made, the amounts are tracked as spending by the Court.

Public Records Adjudication (ALIs 015403 and 015604)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 015403, Public Records Adjudication					
\$0	\$497,132	\$502,464	\$539,280	\$879,776	\$886,527
DPF Fund 5TE0 ALI 015604, Public Records					
\$0	\$0	\$0	\$0	\$8,000	\$8,000
Total	\$497,132	\$502,464	\$539,280	\$887,776	\$894,527
% change	--	1.1%	7.3%	64.6%	0.8%

The expenses of the Courts Public Records Adjudication Program, which hears complaints alleging a denial of access to public records, is to be funded under the Courts budget by the two line items displayed in the table immediately above. Since the program went into effect in September 2016, it has been funded solely with money appropriated from the GRF.

Relative to the GRF line items estimated expenditures for FY 2019, the executive budget increases both its FY 2020 and FY 2021 appropriation by over \$340,000. This annual increase of approximately 63% will pay for an additional 2.5 FTEs working with the Public Records Adjudication Program, including two program staff and a portion of a judges salary.

In each of FY 2020 and FY 2021, approximately 89%, or around \$790,000, of the two line items combined appropriation is allocated for personal services (wages, salaries, fringe benefits, and payroll checkoff charges). Close to 8%, or \$63,000 to \$67,000, in each fiscal year is allocated for supplies and maintenance, followed by about 3%, or close to \$30,000, allocated for purchased personal services and equipment.

DPF line item 015604, Public Records, will draw its appropriation from the Public Records Fund (Fund 5TE0), which consists of all filing fees for public records cases. Since the fund was established by Controlling Board in FY 2017, it has accrued \$8,000. The Court expects revenues to average approximately \$5,000 per year in the FY 2020-FY 2021 biennium.

CLA Victims of Crime (ALI 015603)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
DPF Fund 5K20 ALI 015603, CLA Victims of Crime					
\$450,873	\$437,678	\$443,825	\$480,463	\$529,928	\$533,532
% change	-2.9%	1.4%	8.3%	10.3%	0.7%

This line item pays for: (1) the compensation of judges of the Court of Claims necessary to hear and determine appeals from the Office of the Attorney General, and (2) the compensation of any personnel of the Court of Claims needed to administer their appellate duties and responsibilities. Its appropriation is supported by cash transferred by the Office of Budget and Management from the Victims of Crime/Reparations Fund (Fund 4020), which is used by the Office of the Attorney General.

In each of FY 2020 and FY 2021, 88%, or about \$469,000, of the line items appropriation is allocated for personal services (wages, salaries, fringe benefits, and payroll checkoff charges). Around 8%, or \$42,000 to \$45,000, in each fiscal year is allocated for supplies and maintenance, followed by about 4%, or roughly \$18,000, allocated for purchased personal services and equipment.

Facts and figures

As previously mentioned, the Court serves four primary functions: (1) to adjudicate civil actions filed against the state, (2) to hear appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Law, (3) to hear complaints alleging a denial of access to public records, and (4) to act as the states fiduciary agent for processing claims of wrongful imprisonment.

Claims against the state for money damages

The Courts Civil Division is responsible for hearing all civil claims filed against the state of Ohio and its agencies. Claims can be adjudicated administratively, or by referees and judges, as described in more detail below.

Administrative determinations. In civil actions against the state for \$10,000 or less, the clerk may administratively determine a claim and render judgment. A majority of the civil actions are handled administratively.

Judicial determinations. Any case involving claims greater than \$10,000 must be decided by a judge. In most cases, a single judge will hear a case, but the Chief Justice of the Supreme Court of Ohio may assign a panel of three judges to a civil action that presents novel or complex issues of law and fact. While a motion may be filed requesting that a panel of three judges hear a particular case, few cases are eligible for a hearing before a panel of three judges.

Referees. Whenever the Chief Justice believes an equitable resolution of a case will be expedited, the Chief Justice may appoint referees (also known as magistrates) in accordance with Civil Procedure Rule 53 to hear the case. For disputes arising between the state and a contractor concerning the terms of a public improvement contract let by the state, the Supreme Court is required to appoint a referee, or a panel of three referees.¹

The Courts decisions in these civil matters may be appealed. Cases that were originally determined by the Clerk of the Courts (involving \$10,000 or less) may be appealed to a judge of the Court. The decision of the judge is final. Cases that were originally heard by a judge of the Court (over \$10,000) may be appealed to the Tenth District Court of Appeals in Franklin County, and further appealed to the Supreme Court of Ohio.

Details on the filing and disposition of civil cases from calendar years CY 2014-CY 2018 for both administratively processed claims and judicially processed claims are summarized in Table 3 below.

¹ The referees need not be attorneys, but must be persons knowledgeable about construction contract law, a member of the Construction Industry Panel of the American Arbitration Association, or an individual or individuals deemed qualified by the Chief Justice to serve.

Table 3. Civil Case Filings, Calendar Years 2014-2018					
Type of Action	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
Administratively processes claims (less than \$10,000)					
Cases Filed/Reinstated	643	660	509	607	1,074
Cases Terminated	709	574	606	578	1,033
Cases Pending	145	231	134	163	211
Judicial Review	52	52	63	66	68
Judicially processed claims (\$10,000 and over)					
Cases Filed/Reinstated	458	340	365	280	319
Cases Terminated	386	343	360	313	331
Stay/Interlocutory Appeals	60	39	71	51	50
Cases Pending	317	314	319	286	329
Trials/Hearings Held	60	56	57	48	35
Conferences Held	462	443	475	511	445

Victims of crime appeals

In 1976, the Victims of Crime Compensation Program was enacted and its administration was assigned to the Court. Under the program, individuals suffering personal injury as the result of criminal conduct were eligible to apply for compensation. This compensation included, but was not limited to, psychiatric care/counseling, medical expenses, work loss compensation, and unemployment benefits loss. Dependents could also receive awards for economic loss, replacement services loss, and certain funeral expenses in the case of a homicide. The maximum award was \$50,000 per victim, per criminal incident.

From 1976 until July 1, 2000, the Courts Victims of Crime Division handled all claims for compensation from the Victims of Crime Fund. The Office of the Attorney General then investigated the claim and filed a finding of fact and recommendation with the Court.

At the start of FY 2001, the Victims of Crime Compensation Program underwent a transformation with the enactment of S.B. 153 of the 123rd General Assembly. Under the act, responsibility for administering the program was transferred from the Court of Claims to the Office of the Attorney General. The transfer significantly changed the role that the Court plays in these cases. Whereas before, the Court rendered the initial decisions on compensation cases and was responsible for disbursing reparation awards, this responsibility was transferred to the Office of the Attorney General. The Court still handles the appeals process.

Under current law, if a crime victim applicant does not agree with the final decision made by the Office of the Attorney General, that individual, within 30 days, may file an appeal to have the claim heard before the Court of Claims. A further appeal may be taken to a judge of the Court.

Details on the filing and disposition of victims of crime appeals from CY 2014-CY 2018 are summarized in Table 4 below.

Type of Action	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018
Cases Filed	79	79	55	50	39
Cases Terminated	50	52	70	52	58
Cases Pending	35	62	47	45	15
Trials/Hearings Held	48	44	33	23	26
Conferences	0	5	84	85	53

Public records adjudication

The enactment of S.B. 321 of the 131st General Assembly, which became effective September 28, 2016, created an adjudication and mediation program for public records request disputes within the Court of Claims. Under prior existing law, unchanged by the act, an individual is permitted to file a mandamus action in the court of common pleas to resolve a public records request dispute. The act permits an individual to file an action with the Court of Claims or a mandamus action with a court of common pleas, but not both. In either instance a judgement may be appealed to the proper appellate court. The act requires clerks for the courts of common pleas to act as clerks for the Court of Claims in their respective counties for any public records complaints filed in the Court of Claims, although a complainant may file directly with the Clerk of the Court of Claims.

Under the act, except for a court that hears a mandamus action, the Court of Claims is the sole and exclusive authority in Ohio that adjudicates or resolves complaints based on alleged violations of the Public Records Law. The Clerk of the Court of Claims is required to designate one or more current employees or hire one or more individuals to serve as special masters to hear complaints. The Clerk may assign administrative and clerical work associated with complaints to current employees or may hire such additional employees as may be necessary to perform such work.

Details on the filing and disposition of public records request disputes from CY 2016-CY 2018 are summarized in Table 5 below.

Type of Action	CY 2016	CY 2017	CY 2018
New Cases Filed	18	105	106
Cases Terminated	3	83	113
Cases Pending	15	37	30
Judicial Reviews	1	10	18
Meditations Held	9	100	149

Wrongful imprisonment claims

The Court of Claims acts as the states fiduciary agent for processing claims of wrongful imprisonment. Money to pay any such claims is transferred to the Court on an as-needed basis by the states Controlling Board.

Pursuant to R.C. 2743.48(E)(2), upon presentation of requisite proof to the Court, a wrongfully imprisoned individual is entitled to receive a sum of money that equals the total of each of the following amounts:

- The amount of any fine or court costs imposed and paid, and the reasonable attorneys fees and other expenses incurred by the wrongfully imprisoned individual in connection with all associated criminal proceedings and appeals, and, if applicable, in connection with obtaining the individuals discharge from confinement in the state correctional institution;
- For each full year that the individual was imprisoned in the state correctional institution for the offense of which the individual was found guilty, \$40,330 or the adjusted amount determined by the Auditor of State (\$55,045.94 for CY 2019 and CY 2020). For partial years, the share is prorated;
- Any loss of wages, salary, or other earned income that directly resulted from the individuals arrest, prosecution, conviction, and wrongful imprisonment; and
- The amount of certain cost debts the Department of Rehabilitation and Correction recovered from the wrongfully imprisoned individual.

H.B. 411 of the 132nd General Assembly requires the Court to deduct any known debts owed by a wrongfully imprisoned individual to the state or a political subdivision or any award or recovery from a related civil rights action that the individual actually collected from the money that the individual otherwise would be awarded and pay those deducted amounts to the state or political subdivision.

Table 6 below shows the total amount of money that the Court has disbursed to make wrongful imprisonment settlements from FY 2000-FY 2017, year to date.

Table 6. Wrongful Imprisonment Settlement Disbursements, FY 2010-FY 2019*	
Fiscal Year	Total Disbursed
2010	\$1,088,396
2011	\$3,664,717
2012	\$549,628
2013	\$379,128
2014	\$721,560
2015	\$2,962,101
2016	\$8,357,100
2017	\$4,129,947
2018	\$0
2019	\$114,000

*As of February 28, 2019.