

## REENGINEERING MICHIGAN'S LARGEST DISTRICT COURT

On July 18, 2013, the City of Detroit filed for Chapter 9 bankruptcy. It was the largest municipal bankruptcy filing in U.S. history by debt (\$18-20 billion) and by population (700K citizens).

District 36 is a state-operated, city-funded limited jurisdiction court serving the City. City officials request in early 2013, that the Court reduce its budget dramatically since the City faced a \$327 million budget deficit. The Court had experienced chronic management and deficit problems for years and had a projected \$4 million plus spending overrun for the 2013 fiscal year ending June 30, 2013.

Because of overspending by a succession of court leaders and an inability to cut costs and take steps to improve the efficiency of the court, the Supreme Court asked the National Center for State Courts (NCSC) to review the District Court operations. On May 20, 2013, the Center issued a report that said the court was beset with problems; a culture of financial overruns; inadequate customer service, sparse use of technology, poor management, personnel deficiencies, and faulty case processing practices that caused unnecessary delays. The Center laid out a series of steps to address the problems.

Eight days later, the Supreme Court took superintending control of the District Court; something it had done only once in its history. It appointed Michigan Court of Appeals Judge Mike Talbot as Special Judicial Administrator to overhaul the court. Talbot assembled a team of specialists with the help of the State Court Administrator's Office. Over the next 12 months, the team used the National Center report as a blueprint to reorganize the management and institute dozens of changes to transform the 36<sup>th</sup> District Court into a more efficient, user-friendly operation.

In May 2014, the Michigan Supreme Court requested the National Center to return to the 36<sup>th</sup> District Court and review and assess the changes and improvements made over the previous 12 months. The Center reported in June 2014 that a dramatic change for the better had occurred under the leadership of Judge Talbot and the interim staff that he assembled. New permanent top court leadership had been selected in the personage of Chief Judge Nancy Blount and Court Administrator Kelli Moore Owens along with a cadre of well-qualified senior managers.

Importantly, too, the Center noted in the organizational transformation was the support and aid by the court's judges and staff. Once they understood the dimensions of the problems confronting the court, they willingly, although anxiously, embraced the needed changes by objectively and critically looking at the court and its processes, by helping to identify unaddressed problems and implementing new solutions, and by willingly accepting an ongoing reform mentality. That reform mindset continues today.