

BMAP

Draft Recommendations

July 30, 2012

**1. Use of Quick Response (QR) Codes:
Consider using QR Codes in
bankruptcy notices and in signage at
the court, to provide the public with
useful information in a format which
may be downloaded to a smart phone.**

QR codes are similar to bar codes, but encode data both horizontally and vertically, in a grid of squares, either printed on a document, or displayed on a web page. Smart phones are capable of reading QR codes from a paper printout, poster or from a computer monitor. Given the high penetration of devices capable of reading QR codes and their rapid penetration in airports, subways and other mass transit, QR

code use and acceptability is certain to grow.

Courts could add QR codes to various notices, providing directions to the courthouse, phone numbers and contact names, etc. Courts could also add QR codes to displays in the courthouse lobby, so visitors could access information about filing bankruptcy, building hours, fee information, and anything else the court determined would be helpful to a filer. For example: in some courthouses, courtrooms may be accessible by one bank of elevators, but not another; the QR code could include a notation about which bank of elevators to use, and provide a turn-by-turn map of how to reach the courtroom.

Impact/benefit: Providing information to members of the public and the bar, in a format easily accessed and portable. Cost is practically zero, as many web sites allow **fee (remove?)** free creation of QR codes and development time is minimal.

2. Automated Docketing: Consider taking advantage of functions and programs which facilitate the automatic performance of docketing, deadline setting and terminating, noticing, etc.

There are a number of software tools available, including:

A. Auto-Closing - this function is part of the standard bankruptcy CM/ECF application.

B. Auto-Discharge - this function is part of the standard bankruptcy CM/ECF application.

C. Automated Docketing Interface (ADI) and Enhanced ADI (E-ADI) - CM/ECF functionality includes an Automatic Docketing Interface (ADI). ADI makes docket entries without user interaction. It uses data and document files produced by court-developed software to docket

to cases that have already been opened in CM/ECF. The most common use of ADI is to docket the fees recorded in a cash-register system and certificates of service posted by the BNC. There are different application programming tools (e.g., SQL, .net, perl) that can be used to accomplish the auto docketing routine.

Through the use of court staff programming, ADI may be enhanced to enable its use in any docket event where a large set of conditions must be met, and these conditions can be pre-defined. Courts who have already implemented this successfully, can be contacted for implementation advice. (Suggested courts to include: NC-M, FL-N, FL-M) By extending the functionality of ADI in this manner, courts may automatically docket up to one-quarter of court-docketed events, without user interaction. As one example, the USBC- FLN uses ADI for the following events (this amounts to approximately 16% of court-docketed events):

- Conditional Order (Regarding 521 Compliance)

- Financial Management Reminder Notice (Initial Notice)

- Financial Management Reminder Notice (Final Notice)

- First Day Orders in Chapter 11

Cases

- Notice of Motion to Avoid Lien

- Notice to Creditors to File Claims

- Order Converting Chapter 13 to

Chapter 7

- Order on Motion to Extend Time to Object to Exemptions in Chapter 13

- Order to Show Cause on Motion to Dismiss for Failure to Provide Tax Returns

- Possible Repeat Filers

Impact/benefit: The primary benefit of using automated docketing programs (e.g., ADI, e-ADI, auto-closing, auto-discharge) is a reduction in the level of staff docketing effort. As noted above, this may amount to a

significant percentage of the clerk's office staff docketing activity.

3. For courts which have established an automated docketing process, and have ensured that the events being automatically docketed are executing correctly, the QA/QC applications (such as QC Editor) or scripts which are being used to perform routine case QC should be modified to exclude the events which are automatically docketed.

This recommendation builds upon the recommendation promoting the use of automated docketing programs: if the courts follows a well-defined process for defining the conditions to be met before automatically docketing an event, tests and validates the process, then it should not be possible for errors to occur. This procedural change reduces the Case Administrator's (CA's) QC load, and

enables them to spend more time reviewing events which may require analysis and staff/court action.

Some QC applications can provide statistics on different measures to show how many documents are being QC'd and how many are being bypassed.

Impact/benefit: As with automated docketing of events, the removal of those events from standard QA/QC reports may substantially reduce the number of events to be reviewed, providing more time to focus their QA/QC efforts on events which may include errors.

**4. ADI/Installment Payments Issue:
Consider using ADI or e-ADI to
automatically notify a debtor that any
outstanding fees are still due and
payable after their case is dismissed;
that motions to reconsider the
dismissal will not be entertained unless**

the balance of fees due are paid at the time the motion is submitted; and that requests to pay fees in installments in future bankruptcy cases will automatically be denied.

As stated in the Bankruptcy Fee Compendium, Part B, 3.C(4)(a), unpaid filing fees are still due and payable, even though the case has been dismissed.. Some courts (HI, IL-N) send a memo or other document (note: could also be included in the order dismissing case). ADI or e-ADI could be used to automatically send this ‘notice’ to the debtor, keying off of the case dismissal status, an ‘unpaid fees’ flag, the balance due amount from the Filing Fee Query or other indicator in the case record.

Impact/benefit: The use of this notice appears to generate some additional fees being paid. The use of ADI to send out the notice means that no staff time is required (once programming and testing are completed), and it may result in

additional revenue for the court.

5. Quality Control (QC): Courts should examine their QC procedures to ensure that they conform to the court's culture.

Reviewing QC procedures to determine what should be checked, and what may be omitted from the process, either because the information is under the purview of another participant in the bankruptcy process (UST or case trustee), or because no remedial action would be taken by the court, should an error/omission be found. For example, some bankruptcy courts no longer review proofs of claim filed, as the clerk's responsibility is limited to maintaining a claims register (Fed. R. Bankr. P. 5003).

Impact/benefit: Quality control procedures may consume a significant percentage of staff resources. By reviewing the procedures currently in place, courts may be able to limit their review to critical docket entries and data

items, freeing up staff for other tasks.

6. Drop Boxes: Courts should consider eliminating the use of filing drop boxes.

There is a safety issue (unsafe/dangerous materials may be placed in it); it also provides electronic filers with the option to submit paper filings when electronic filing is the required or the preferred approach.

Impact/benefit: Removing drop boxes eliminates a safety concern for staff. It also reduces staff time spent on removing drop box filings, bringing the envelopes to court security for hazard scanning, opening and scanning the documents, completing the drop box log, etc. The presence of a drop box provides an opportunity for filers to sidestep mandatory electronic filing requirements. Finally, if the court does not have a drop box, it requires after-hours filers to contact the clerk prior to filing, making it more likely that after-hours filings

will be limited to emergency filings.

7. Final Disposition Calendar: When the court has been advised that a matter before the court has been resolved or some other action will be taken to dispose of the matter without further hearing, consider placing those matters on a “Final Disposition Calendar.” The hearing would be removed from the calendar once the promised document/action is completed.

The majority of matters heard in bankruptcy court are resolved by the conclusion of the hearing, or continued to another hearing day. In a few instances, a matter may be resolved during the hearing, but requires a case participant to provide the court with a document (such as a proposed order) or perform some action following the hearing, in order for the

matter to be finally disposed of.

For example, a motion for relief from the stay is filed and at the time of the scheduled hearing, the parties announced that they have resolved the motion and will be submitting a consent order. Rather than removing the motion completely from any court calendar, the motion for relief is continued to the Final Disposition Calendar. If the consent order is not received by the hearing date of that Calendar, the attorneys will be expected to be in attendance and explain to the court why the consent order has not been submitted. The same situation can occur when a motion of any kind is presented and there is no opposition voiced at the time of the hearing. The movant's attorney announces that they will be uploading or submitting an order granting their motion. Rather than removing that matter from all calendars, the matter is continued to the Final Disposition Calendar awaiting that "no opposition order" to be submitted.

A number of matters may be scheduled for the

same final disposition hearing time, as most attorneys will complete the required action before that time, removing the matter from the calendar (through the use of standard CM/ECF functionality), rather than explaining their lack of effort to the judge in a hearing.

Impact/benefit: In courts where clerk's office staff are tasked with following up with attorneys when they have stated they will provide a document or perform some other action, a significant amount of staff time may be spent trying to contact the attorneys or firms. Setting such matters for a hearing relieves court staff from chasing down attorneys, repeatedly checking for the promised document/action.

8. Local Rules: Courts should examine their local rules to determine if procedures, administrative requirements, etc., are incorporated in the rules. If that is the case, the local

rules should be modified to move this procedural/administrative detail information into an administrative procedures manual or docketing manual. The courts may also wish to consider if a certain local rule is still required, or if national rules or operating practices have made the rule obsolete or redundant.

Impact/benefit: When administrative or procedural details are contained in the court's local rules, it may be very difficult and time-consuming to modify the rules to reflect changing conditions, such as adjustments in CM/ECF functionality.

9. Local Rules: Utilize a local rule advisory committee, as well as court staff, to examine local rules from the perspective of efficiency and cost; where practical, eliminate those rules

which support inefficient practices, or which have excessive costs.

Under 28 U.S.C § 2077, courts that prescribe local rules are required to establish an advisory committee for the study of the rules of practice and internal operating procedures. Courts do not currently utilize local rule advisory committees should consider establishing one. This committee could bring to the attention of the court rules which are inefficient from the outside users' perspective. It will still be the responsibility of the court to examine rules that impede efficiency within the court itself.

Impact/benefit: The operating procedures of the court are based on guidance from local rules, as well as national codes, rules, and Administrative Office guidance. The court has the flexibility to modify local rules to increase operational efficiency relatively rapidly, while still recognizing the local legal culture of the district.

10. Case Management Improvement through the use of court-developed applications: The bankruptcy courts have developed numerous local applications which build on and expand CM/ECF functionality, greatly improving the ability of clerk's office staff to manage cases.

These software tools may improve the quality assurance process, distribute and track case work, and provide more detailed case administration information to managers, depending on the manner in which the court chooses to implement the application. There is some risk, however, in making use of a court-developed application, in that it is not supported by the Administrative Office; either the developer of the application, or the community of users who have implemented the application, will need to be consulted when issues arise.

Nevertheless, in an era of diminishing

resources, it is important for the bankruptcy courts to find new ways to be even more efficient than in the past. The applications listed below may help your court to do more with less.

5alpha

This application was developed by the Texas Northern bankruptcy court.

The 5alpha system automates the U. S. Bankruptcy Court's case management, work distribution and quality review functions. The 5alpha system performs a daily download of all CM/ECF docket entries, and then distributes these entries among staff designated to perform these duties. In addition to the time savings this system provides, equal work distribution is realized among divisional offices and a tool for evaluating work production is provided.

More information on 5alpha can be found on Ed's Place: <http://edsplace.uscmail.dcn/>

QAX

The Texas Eastern bankruptcy court developed QAX (QUality Assurance) as a software tool that allows users to track docketing errors, make notes for each docketed item, follow up on errors, make use of CMECF's QC Editor, send emails on the errors and other QC related functions.

It has been engineered to give the docket clerks one single place to perform the QA that is needed for docketed items. In its first incarnation QAX was basically a single tiered application with one method of QA. It has definitely grown over the last few years and months into a more robust and user friendly tool.

More information on QAX can be found on Ed's Place: <http://edsplace.uscmail.dcn/>

QCP

The Maryland bankruptcy court developed QCP (Quality Control Program) as a case management/QC tool. QCP works within CM/ECF, and most editing functions are consolidated on one screen. As a result, the case administrators do all their edits (statistical data, parties, deadlines, docket entries, flags, etc.) and even generate BNC notices from the same screen. In addition, a separate component of QCP can be used to evaluate staff performance.

More information on QCP is available on Ed's Place: <http://edsplace.uscmail.dcn/>

CMAssist

Case Management Assist, also known as CMAssist or CMA, was created by the Oklahoma Western bankruptcy court. It is a

quality control application that works alongside CM/ECF to gather and distribute work. It eliminates the need for case managers to run reports and search for their work, because all of their work is prioritized in a single “To Do” screen.

CMAssist allows work to be assigned a number of ways, including by terminal digit, judge, teams, and pooling. It also allows a manager to easily reassign work when staff are absent. CMA can also be used by financial staff to monitor fees and other deadlines, and by supervisors or DQA’s to do a second level of quality control.

More information on CMAssist is available on the Connections website:

<https://connections.ao.dcn/communities/community/CMAssist>

11. Final Decree: In cases under chapters 7, 12 and 13, consider

combining a final decree with the order closing case (turn a two-step, two-notice process into one) or docket a text-only final decree (which discharges the trustee and closes the case).

For example, WA(W) bankruptcy court uses an ADI process that makes a text-only order entry of dismissal and automatically sends the required notice of dismissal with the language used in the text-only entry. The dismissal date is also pulled into the notice. See example below:

61	Final Decree. It appearing that the estate of the above-named debtor(s) has been fully administered, or that the case otherwise may be closed, the trustee appointed in this case is discharged as the trustee of this estate and this case is closed. SO ORDERED. /s/ Robert J. Faris, U.S. Bankruptcy Judge. <i>The official order in this matter is set forth in the Notice of Electronic Filing created by this entry. No document is attached.</i> (DM) (Entered: 11/07/2011)
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Courts should also consider eliminating BNC notice of the final decree altogether, as there is no requirement to provide notice of this event.

Impact/benefit: Combining the order closing

case with the final decree will result in a reduction in staff effort to close bankruptcy cases. In addition, eliminating BNC notice of the final decree will result in significant cost savings to the courts.