

# Court Funding Cuts Suggest Need For Better Business Planning

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The bad news for court funding in California continues. According to the [Sacramento Business Journal](#), Governor Brown's May revision of the State budget includes a \$300 million cut in funding for trial courts and achieves further savings by delaying \$240 million in trial court construction.

Our [previous article](#) detailed the impact of budget cuts on Los Angeles area courts and commented on the increased role for alternative dispute resolution, such as mediation and arbitration, in such an environment.

But the best way for businesses to deal with funding cuts to the court system is to avoid disputes in the first place. This can be achieved through effective business planning and execution, including:

- Enhanced management and control of business contractors and vendors
- Increased due diligence in selection of contractors and vendors
- Greater selectiveness in those you do business with
- Avoiding situations where you need to bring a lawsuit to enforce your rights
- Finding a win-win solution if you become embroiled in a dispute.

Some of these solutions are easier said than done. But if your organization makes a concerted effort to avoid disputes, and establishes the importance of doing so as part of its corporate culture, the chances of success are higher.

Proactive business planning to avoid litigation in the current environment and execute the solutions outlined above, may include the following, as our previous article noted:

- Spending more time preparing contracts, documenting the transactions, and ensuring all parties are on the same page
- Spending more time once a deal is struck to ensure compliance with the agreement terms
- Increasing communication between the parties to avoid disputes

Businesses who make dispute avoidance a prime business goal and follow the guidelines outlined above will increase their chances of dealing with the new reality in an effective manner that reduces reliance on an overburdened court system. <http://bit.ly/QycjLH>

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