

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES**

P.O. Box 419064, Rancho Cordova, CA 95741-9064



August 20, 2018

Mr. Martin Hoshino, Administrative Director  
Judicial Council of California  
455 Golden Gate Avenue  
San Francisco, California 94102

**SUBJECT: JUDICIAL COUNCIL OF CALIFORNIA CONTRACT  
FINAL AUDIT REPORT**

Dear Mr. Hoshino:

Enclosed is the California Department of Child Support Services (DCSS), Office of Audits and Compliance (OAC), final report on the costs claimed under the Judicial Council of California contract by the Superior Court of California, County of Colusa (Court). Our review was limited to examining Assembly Bill (AB) 1058 child support related costs claimed in state fiscal year 2015-16 for the Child Support Commissioner and the Family Law Facilitator programs. This engagement was performed to satisfy federal and state mandated subrecipient monitoring of the AB 1058 child support grant funds.

OAC reviewed the Court's response to the draft report, including the corrective action identified by the Court in response to the reported findings. The findings have not changed and the results of the review are in the attached Evaluation of Response.

On August 10, 2018, DCSS issued a letter regarding the repayment and/or corrective action required in response to the findings in this report. OAC will follow up within six months from the date of this report to ensure corrective action was taken by the Court.

We appreciate the assistance and cooperation of the Judicial Council and the Court staff during the review. If you have any questions regarding this report, please contact me at (916) 464-5520.

Sincerely,

A handwritten signature in blue ink that reads "Karen Dailey".

KAREN DAILEY  
Audit Chief  
Office of Audits and Compliance  
Department of Child Support Services

Enclosure

**Department of Child Support Services  
Office of Audits and Compliance**

**Judicial Council of California Contract  
Review Audit Report**

**Superior Court of California  
County of Colusa**



**Prepared by:  
Office of Audits and Compliance**

**CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES  
OFFICE OF AUDITS AND COMPLIANCE  
Judicial Council of California Contract Review  
Superior Court of California, County of Colusa**

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**Judicial Council Contract Review  
Superior Court of California, County of Colusa  
Department of Child Support Services  
Office of Audits and Compliance  
Audit Report**

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## **INTRODUCTION**

California Department of Child Support Services (DCSS), Office of Audits and Compliance (OAC), conducts fiscal and compliance audits of subrecipients who receive IV-D program funds in the administration of the child support program. These audits are required as part of DCSS subrecipient monitoring responsibilities. DCSS contracts with the Judicial Council of California (JCC) for statewide Title IV-D services with the Child Support Commissioner (CSC) program and Family Law Facilitator (FLF) offices. The Court receives federal and state funds through a contract with JCC who oversees these programs and the expenditures claimed under this contract.

This report presents the results of the OAC's review of the Superior Court of California, County of Colusa (Court) CSC and FLF program for the state fiscal year (SFY) of July 1, 2015, through June 30, 2016.

## **BACKGROUND**

The Child Support Enforcement (CSE) program is a federal/state/local partnership to collect child support from non-custodial parents. The goals of this program are to ensure that the children have the financial support of both their parents, to foster responsible behavior towards children, and to reduce welfare costs. The CSE Program was established in 1975 as Title IV-D of the Social Security Act.

Established by state legislation in 1999, the California Department of Child Support Services is designated as the single state entity responsible for ensuring that all functions necessary to establish, collect, and distribute child support are effectively and efficiently implemented. Title 45, Section 302.34 gives DCSS authority to enter into a cooperative agreement with the courts under the state plan. The JCC, chaired by the Chief Justice of California, is the chief policy-making agency of the California judicial system. The JCC oversees the ongoing operations of the statewide Title IV-D CSC and FLF programs in the courts under grant funding AB 1058. In SFYs 2015-16, DCSS contracted the JCC for a total of \$55,171,367. For the period July 1, 2015 through June 30, 2016, the JCC reimbursed the Court \$128,028 in state and federal funds as follows: \$58,615 for the CSC and \$69,413 for the FLF program.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

The review was conducted for the period July 1, 2015 to June 30, 2016. The area of review was limited to claimed expenditures under the contract agreement #10-0586-16 between DCSS and the JCC for this period. The objective of the review was further limited to determining if expenditures claimed by the Court under JCC contract agreement #10-30618 for the CSC program and #10-30672 for the FLF program complied with applicable laws, rules, and regulations, including OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards set forth in Title 2 CFR Subtitle A Chapter II, Part 200 (Uniform Requirements) , Trial Court Financial Policies and Procedures Manual (FIN Manual) and Title IV-D (AB 1058) Child Support Commissioner and Family Law Facilitator Program Accounting and Reporting Instructions.

The audit was conducted in accordance with generally accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. This audit includes examining, on a test basis, evidence supporting the amounts included on contract invoices. An audit also includes assessing the accounting principles used and significant estimates made by management.

Due to the limited scope, our audit does not constitute a financial statement audit conducted in accordance with Government Auditing Standards; therefore, we do not express an opinion on the financial statements, or on any individual account balances. Had we performed additional procedures, or conducted a complete audit of the financial statements, other matters might have come to our attention that may have been reported.

## **AUDIT AUTHORITY**

Uniform Requirements 2 CFR 200.328 Monitoring and reporting program performance makes DCSS responsible for oversight of the operations of the Federal award supported activities. Section 200.331 requires DCSS, as the pass through entity, to monitor the activities of the subrecipient to ensure the subaward is used for authorized purposes, in compliance with the federal statutes and regulations and the terms and conditions of the federal award and subaward, and that the subaward performance goals are achieved. This section also provides the authority for DCSS, as the pass-through entity, to perform on-site reviews of the subrecipient's program operations. Section 200.336 Access to records provides DCSS the right to access any pertinent documents.

Title 45 CFR 302.12 gives DCSS the responsibility for securing compliance with the requirements of the State plan when delegating any of the functions of the IV-D program to any cooperative agreement.

## **CONCLUSION**

As noted in the Findings and Recommendations section of this report below, we found the Court did not have sufficient support for the operating expenses claimed for the contractors in the CSC Program and in the FLF Program during our audit period.

## **RESTRICTED USE**

This audit report is intended solely for the information and use of the DCSS and JCC should not be used for any other purpose. This restriction is not intended to limit distribution of this report, which is a matter of public record when the final is issued.

## FINDINGS AND RECOMMENDATIONS

### Condition

#### Finding 1 – Unsupported Operating Expenses, Contracted Commissioner – \$50,944

The Court paid an independent contractor (Contractor) for Child Support Commissioner services, but failed to maintain documentation to support the direct labor hours spent in the IV-D child support program activity. We reviewed the Contractor's contract agreement which specifies the Contractor was required to work 36 hours each week for three different courts (Tehama, Colusa, and Glenn). As the Court was required to reimburse the Contractor for 1/3 of the Contractor's salary, benefits, and travel costs the Court was entitled to receive 12 hours per week of CSC service (36 weekly hours/ 3 courts). Court documentation revealed the caseload in Colusa did not support this level of service. Specifically, the SFY 2015-16 Court calendar revealed court was in session one afternoon a week, generally for one hour starting at 4:00 p.m. and based on discussions with the Contractor, ending by 5:00 p.m. Court calendars also revealed court was held for only 38 out of 52 weeks during SFY 2015-16, with an average of 10 cases a month.

As we question the actual time the Contractor spent in IV-D activity, we requested a contractor activity log. A contractor activity log is required by the JCC to support the direct labor hours the Contractor spends in the IV-D program. The Court was not able to provide contractor activity logs, but instead provided us with a JCC timesheet documenting the Contractor worked 4 days a week for 9 hours each day. The JCC timesheet did not record actual hours the CSC spent directly in IV-D activity at the Court, did not support the direct labor hours allocated under the JCC Agreement #10-30618 for SFY 2015-16, and demonstrated the Contractor claimed hours outside of regular court activity (i.e., before 8:00 am or after 5:00 pm when administrative offices of the Court were closed). The Contractor asserted she was a salaried employee and therefore not required to maintain a contractor activity log. However, these costs were reimbursed as an operating expense based on a contract agreement so JCC policy requires a contractor activity log to support the direct operating expenses reimbursed to the Court.

In lieu of a contractor activity log, we accepted alternative documentation to support time the Contractor spent in the IV-D activity. During SFY 2015-16, the Court calendar supported court was in session for 44.5 hours. As the contract allowed travel costs, we allowed a 1/2 hour of travel for each of the 38 days in SFY 2015-16 in which court was in session. The Contractor's schedule was to drive from the court in Glenn to the court in Colusa, a 1/2 hour drive. As a result, we allowed 64 hours of CSC time as follows:

**Supported Contractor Hours  
SFY 2015-16**

<b>CSC Supported Hours:</b>	
Hours Court was in Session	44.5
Travel Time (38 days x ½ hour)	19.5
<b>Total Supported Hours</b>	<b>64</b>

For SFY 2015-16, the Contractor’s salary was established at \$144,616, benefits were limited to \$25,000 and travel costs were set at \$1,872. To calculate allowable costs, we multiplied supported hours to the hourly salary/benefit amount in the contract agreement. We further allowed the 1/3 of the CSC’s travel allowance as outlined in the contract agreement terms. As a result, we found the Court had support for \$7,671 in salary, benefits and travel costs as follows:

**Hourly Rate for Contractor  
SFY 2015-16**

<b>CSC Agreement:</b>	
Salary \$144,616/1872 hours	\$77.25
Benefits \$25,000/1872 hours	13.36
<b>Hourly Rate Per Agreement Terms</b>	<b>\$90.61</b>

<b>Supported Operating Expenses:</b>	
Total Supported Salary and Benefits (64 hours x \$90.61)	\$5,799
Add: 1/3 Travel Allowance	1,872
<b>Total Supported Costs:</b>	<b>\$7,671</b>

We are questioning \$50,944 in unsupported costs paid to the Contractor for CSC services as follows:

**Unsupported Operating Expenses (CSC)  
SFY 2015-16**

Claimed Contractor Costs	(\$58,615)
Less: Supported Costs	7,671
<b>Total Unsupported Costs</b>	<b>(\$50,944)</b>

Criteria

Title 2 CFR 200.403 Factors affecting allowability of costs requires costs to be adequately documented and consistent with the policies and procedures. Section 200.404 states costs are allowable if they are reasonable, necessary, and utilized for the proper and efficient performance and administration of the federal award. A cost is considered reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the



decision was made to incur the cost. Section 200.405 states that costs are only allocable to the federal award in accordance to the benefits received. Section 200.318 General procurement standards (b) requires the Court to maintain oversight and ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Title IV-D (AB 1058) Child Support Commissioner and Family Law Facilitator Accounting and Reporting Instructions issued by the Judicial Council of California, dated June 2015, states, (page 5), "Allocation and Contracts" clarifies that the Judicial Council allocates funds to each court individually via separate funding contracts, and funding must be expended from July 1 through June 30." Page 16 "Operating Expenses" clarifies that court staff paid as a contractor (including a Contract Commissioner) shall be reported as an operating expense and will not be reported as part of salaries and benefits or included in the calculation of indirect costs allocation pool. Under "Supporting Documentation," the JCC requires the Court to provide actual vendor receipts for services purchased. "The court must have a written agreement with the party if the program activities are performed by a party other than the court, for example contracted facilitator or commissioner services." Lastly, Contractors are required to complete a mandatory contractor activity log. The contractor activity log is designed to calculate the total of all hours worked on all programs, including Title IV-D support hours. This should be a total of 8 hours per day, unless a contractor is scheduled to work other than an 8-hour shift.

JCC Contract for the CSC program #1030618, Exhibit B, Item 6, Court Responsibilities specifies "The Court shall ensure that reimbursement claimed are limited to that portion of time the Commissioner and staff are engaged in matters involving IV-D activity."

### Recommendation

The JCC should return \$50,944 to DCSS for unsupported operating expenses – Contracted Commissioner. In the future, the Court should ensure contracting practices comply with JCC policy and the uniform requirements. For example, the Court must obtain the appropriate supporting documentation, such as the contractor activity logs, prior to authorizing payment. Further, the Court should compare and verify invoiced costs against terms specified in written agreement to ensure the amounts are accurate and services were provided in full.

Finding 2 – Unsupported Operating Expenses, Contracted FLF – \$34,764

### Condition

The Court subcontracted Family Law Facilitator (FLF) services, but did not have a current contract agreement to support the activity, did not obtain approval in advance from the JCC for FLF subcontracted services, and did not maintain the required documentation to support the amount of time the FLF spent in the IV-D program. Based on an interview with the FLF and supporting documentation, we found the FLF

performed both IV-D and non-IV-D activity, but claimed all hours to the IV-D program. The Court's Executive Officer stated the Court is taking corrective action in the future to properly document these costs.

We reviewed the contract agreement, dated September 1, 2011, and found the contract states the FLF shall not charge for more than 7.5 hours each day, and will be paid \$65 per hour. Based on the contractor activity log, we found the FLF charged a full 8-hours each day to the IV-D program. Prior to claiming contracted costs from the JCC, the Court is responsible for understanding the methodology used in the contract agreement to determine the costs are accurate and to ensure the services were provided in full and do not include additional charges outside the contract terms.

The FLF worked in the self-help center and provided service to "anyone who walks in the door," which included non-IV-D activity. Yet all time was documented to the IV-D program. As a result, we deemed the contractor activity log unreliable. In lieu of disallowing all FLF contracted costs, we accepted alternative documentation to support time spent directly in the IV-D program, including the FLF's detailed calendar, phone logs, and database records. Using this alternative documentation, the Court was able to support 519 hours of IV-D activity for the FLF. We found the Court overclaimed \$34,764 as follows:

**Unsupported Operating Expenses (FLF)  
SFY 2015-16**

Supported FLF Hours (519 hours x \$65 per hour)	\$33,735
Add: Training expense	914
Total Supported Cost	\$34,649
Less: Reimbursement to the JCC	(69,413)
Total Unsupported Costs	(\$34,764)

Criteria

Title 2 CFR 200.403 Factors affecting allowability of costs requires costs to be adequately documented and consistent with the policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity. Section 200.404 states costs are allowable if they are reasonable, necessary, and utilized for the proper and efficient performance and administration of the federal award. A cost is considered reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Section 200.405 states that costs are only allocable to the federal award in accordance with the benefits received. Section 200.318 General procurement standards (b) requires the court to maintain oversight and ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Title IV-D (AB 1058) Child Support Commissioner and Family Law Facilitator Accounting and Reporting Instructions issued by the Judicial Council of California, dated June 2015, states, "The contractor activity log is designed to calculate the total of all hours worked on all programs, including Title IV-D support hours. This should be a total of 8 hours per day, unless a contractor is scheduled to work other than an 8 hour shift." (page 47)

JCC Contract for the FLF program #1030672, Exhibit B, Item 18, Subcontracting states, "The Court shall not subcontract this Agreement or services provided under this Agreement, unless the Judicial Council agrees to subcontracting in writing." Item 6, Court Responsibilities specifies "The Court shall ensure that reimbursements invoiced are limited to that portion of time the Family Law Facilitator(s) and staff are engaged in matters involving child support, spousal support, medical support, and family support in accord with instructions issued by the Judicial Council...."

### Recommendation

The JCC should return \$34,764 to DCSS for unsupported operating expenses – Contracted FLF. In the future, the Court should ensure contracting practices comply with JCC policy and the uniform requirements. For example, the Court must obtain the appropriate supporting documentation, such as the contractor activity logs, prior to authorizing payment. The Court should also ensure it has a current contract agreement in place for all contracted services that allows Court staff to confirm hours, rates, or other cost information prior to payment. The Court should compare and verify invoiced costs against terms specified in the written agreement to ensure the amounts are correct and services were provided in full.

Lastly, the JCC has an opportunity to provide training and monitoring to ensure the Court staff fully understand and apply current JCC policy and regulation and implement strong internal controls prior to seeking reimbursement for contracted costs.

### Finding 3 – Payment in Excess of Contract Agreement

#### Condition

The Court obtained reimbursement for an independent contractor for Child Support Commissioner services in excess of contract agreement terms, did not obtain approval in advance from the JCC for subcontracting CSC services, and utilized an outdated contract agreement approved in 2008. We reviewed the Contractor's contract agreement, which specifies the Contractor's benefits are limited to \$25,000 each year, of which the Court will pay \$8,333 (\$25,000/3). In SFY 2015-16, the court in Tehama billed the Court \$65,758 for the Contractor costs, including \$15,680 in benefits. We compared the amount invoiced and paid by the Court to the amount the Court is required to pay according to the contract agreement terms. We found the Court overpaid \$7,348 for contracted CSC benefits as follows:

**Contracted CSC Costs for the Court  
SFY 2015-16**

	Contract Agreement Amount	Colusa's Share (1/3 Contract Amount)	Invoiced/Paid by Colusa	Unsupported (Difference)
	(a)	(b=a/3)	(c)	d=(b-c)
Salary	\$144,616	\$48,205	\$48,205	\$0
Benefits	25,000	8,333	15,680	(7,347)
Travel	5,616	1,872	1,872	0
Total		\$58,410	\$65,757	(\$7,347)

We also noted the contract agreement was dated in 2008, and not approved in advance in writing by the JCC. Prior to claiming contracted costs from the JCC, the Court is responsible for understanding the methodology used to determine the contracted costs are accurate, the services were provided in full, and the invoiced amounts do not include additional charges outside the contract terms.

Criteria

Title 2 CFR 200.403 Factors affecting allowability of costs requires costs to be adequately documented and consistent with the policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity. Section 200.404 states costs are allowable if they are reasonable, necessary, and utilized for the proper and efficient performance and administration of the federal award. A cost is considered reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. Section 200.318 General procurement standards (b) requires the Court to maintain oversight and ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

Title IV-D (AB 1058) Child Support Commissioner and Family Law Facilitator Accounting and Reporting Instructions issued by the Judicial Council of California, dated June 2015, states, (page 5), "Allocation and Contracts" clarifies that the Judicial Council allocates funds to each court individually via separate funding contracts, and funding must be expended from July 1 through June 30." Page 16 "Operating Expenses" clarifies that court staff paid as a contractor (including a Contract Commissioner) shall be reported as an operating expense and will not be reported as part of salaries and benefits or included in the calculation of indirect costs allocation pool. Under "Supporting Documentation," the JCC requires the Court to provide actual vendor receipts for services purchased. "The court must have a written agreement with the party if the program activities are performed by a party other than the court, for example contracted facilitator or commissioner services. The court must submit a copy of the agreement to Judicial Council Grant Accounting Unit. The court claims will not be

processed for payments until the court provides a copy of the agreement to Judicial Council Grant Accounting.”

JCC Contract for the CSC program #1030618, Exhibit B, Item 18, Subcontracting states, “The Court shall not subcontract this Agreement or services provided under this Agreement, unless the Judicial Council agrees to subcontracting in writing.” Item 6, Court Responsibilities specifies “The Court shall ensure that reimbursement claimed are limited to that portion of time the Commissioner and staff are engaged in matters involving IV-D activity.”

### Recommendation

As the amount questioned is included in Finding 1, no additional costs result from this finding. However, the Court should ensure contracting practices comply with JCC policy and the uniform requirements. For example, the Court should also ensure it has a current contract agreement in place for all contracted services that allows staff to validate hours, rates or other cost information prior to authorizing payment. Further, the Court should ensure the contract is approved by the JCC and compare and verify invoiced costs against terms specified in the written agreement to ensure the amounts are accurate and services were provided in full.

# Agency Response

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# Superior Court of California County of Colusa

**JEFFREY A. THOMPSON**  
PRESIDING JUDGE

532 Oak Street  
Colusa, CA 95932

**JASON B. GALKIN**  
COURT EXECUTIVE OFFICER  
CLERK OF THE COURT  
JURY COMMISSIONER

**ELIZABETH UFKES OLIVERA**  
ASSISTANT PRESIDING JUDGE

PHONE: 530-458-5149  
FAX: 530-458-2230

February 13, 2018

**VIA EMAIL TO: [dcssoac@dcss.ca.gov](mailto:dcssoac@dcss.ca.gov)**

Karen Dailey  
Audit Manager  
Office of Audits & Compliance  
P.O. Box 419064  
Rancho Cordova, CA 98741-9064

Re: Response to DCSS Draft Audit Report of the Colusa Superior Court

Dear Ms. Dailey:

Colusa Superior Court (Court) is pleased to submit this written response to the State Department of Child Support Services (DCSS) regarding its audit of the Court and the Child Support Enforcement Program (AB1058 program). The audit focused on the Court's claimed spending activity during fiscal year 2015-16, which included \$128,027 in total program spending for both the Child Support Commissioner grant (\$58,615) and the Family Law Facilitator program (\$69,413).

In its report, DCSS concludes that \$85,708, or roughly 67 percent of the Court's total grant funding, was not adequately supported by documentation such as timesheets, logs, or court calendars. While the Court agrees that its documentation for these costs may not have always met the administrative standards required in its grant agreement, significant program activity and service delivery did occur at the Court as described further in this response. In the Court's view, DCSS' recommendation to return the \$85,708 will unnecessarily harm the Court's ability to effectively serve litigants who request help in seeking or enforcing child support orders. In the sections that follow, the Court provides further perspective on DCSS' audit findings and the Court's current staffing, highlights the corrective action planned by the Court, and describes the Court's recent performance under the AB1058 program.

Both the Court's judicial officers and staff are firmly dedicated to financial and operational transparency and accountability. As a good steward of public funds, the Court recognizes the importance and value of independent audits and fully supports DCSS' continued efforts to partner with the Court to ensure the AB1058 program is effectively serving the children of California.

### **THE IMPACT OF COURT STAFFING**

The Court has limited personnel, requiring that staff in the clerk's office be able to effectively address both DCSS-related cases under the AB1058 program as well as other case types. As a result, Court staff are frequently cross-trained on how to process a wide variety of different filings. This approach allows for the immediate processing and scheduling of child support matters as they are filed during the Court's business hours. While larger courts may have the staff resources to assign specific individuals that are specialized to support the AB1058 program, Colusa Superior Court lacks the staffing levels to do so and believes its current staffing approach to be the most efficient. However, with the same court staff processing a wide variety of family law, probate, adoptions, civil, traffic, and criminal matters, the Court has found the granular tracking of individual clerk staff time—as currently required under the AB1058 program—to be too administratively burdensome given our available resources. While the Court could invest additional time for its staff to complete overly precise timesheets—and then bill those costs to the AB1058 program—the Court has chosen instead to focus on providing important program services benefiting California's vulnerable children. The Court's current approach is efficient and has significantly alleviated the burden on its staff in preparing documentation for their contributions to the program. The Court has not historically sought recognition for these in-kind contributions, but it cannot be denied that work in support of both the Family Law Facilitator and Child Support Commissioner is being performed by Court staff.

Furthermore, many operational tasks, general supervision, training, and other administrative efforts cannot be clearly segregated between DCSS' AB1058 program versus the support services provided to other case types. This complication necessarily makes seeking reimbursement or recognition of these contributions to the program administratively burdensome and cost ineffective.

### **THE IMPACT OF PART TIME COMMISSIONERS IN SMALL COUNTIES**

Colusa Superior Court is one of the smallest counties in the state. As a result it has a relatively small workload when compared with much larger counties. Larger counties face less challenges regarding the hiring of an adequately trained and experienced commissioner to hear DCSS matters as required by statute and Rule of Court. Colusa has made arrangements with two other courts in a relatively similar position in order to attract a sufficiently experienced commissioner and to provide commensurate compensation. This arrangement covers the full DCSS needs for three courts based on a salary and benefits package for four of five days (or less than a full FTE). In addition, this arrangement requires the commissioner to commute between facilities to appear in the proper county. The audit does acknowledge this, but only gives credit for thirty minutes of that commute. This understates the length of the commute by fifteen to thirty percent (as indicated using readily available mapping applications). A calculation of funds to be returned that does not adequately consider the operational realities of providing an experienced commissioner will necessarily understate the impact on the local community in the absence of that funding source. A certain amount of funding is required to provide adequate services to comply with the law and serve the families and children intended to be addressed by way of AB1058.



### **THE COURT'S PLANNED CORRECTIVE ACTION**

DCSS audit staff have determined that the Court's method of documenting time for both the Family Law Facilitator and Child Support Commissioner is inconsistent with existing grant requirements. The Court will work with the Judicial Council to modify its timekeeping and documentation processes for both the Family Law Facilitator and Child Support Commissioner in line with grant requirements. Changes to the timekeeping and documentation processes for the Family Law Facilitator had already been implemented at the time this audit was conducted. As the Court shares the Child Support Commissioner with several other courts, it will be working closely with those other courts and the Judicial Council to revisit the contract and the timekeeping requirements expected pursuant to that contract. The Court notes that federal regulations under 45 CFR 304.21 provides DCSS with the discretion to determine the method of calculating eligible expenditures by the courts, and the impractical timesheet-based approach currently in place is only one of several possible methods that could be used. Nevertheless, recognizing the current grant requirements in the short term, the Court is already in the process of implementing the following changes to its local administration of the AB1058 program:

1. Clerk's Office, Courtroom Clerks, and other Court Staff – The Court will work with Judicial Council and other similarly positioned small courts in an attempt to provide a means of tracking time and contributions to the program that both addresses Court concerns about the cost inefficient administrative burden and DCSS' need for granular timekeeping and documentation.
2. Child Support Commissioner – The Court Commissioner assigned to the DCSS calendar will document the exact time spent presiding over courtroom proceedings, reviewing case files in chambers, coordinating DCSS matters with other court staff, attorneys, and local DCSS agency employees, as well as eligible travel and training activities. The means of this documentation will reflect contractual requirements negotiated between the courts sharing the Commissioner with the approval of the Judicial Council.
3. Family Law Facilitator – The Family Law Facilitator has begun to use a manual tracking system to track individual triage, phone calls, and shorter engagements that are eligible for AB1058 program reimbursement. Additionally, the issues addressed in the audit regarding the tracking of time between the AB1058 program and Self-Help program have already been resolved. Each timesheet provided by the Family Law Facilitator reflects the actual time worked for each respective program.

### **THE COURT'S PERFORMANCE UNDER AB1058**

The Court recognizes and supports state and federal audits of AB1058 grant funding. However, the Court is concerned that those who read DCSS' audit report and the amount of disallowed cost may assume that significant portions of the work were not completed or that program services were not being offered to the public. Such an assumption would be false. While the Court understands and accepts that it has not documented personnel costs in the manner currently prescribed by DCSS, the Court is proud of its past contributions under the AB1058 program. For example, during the period covered by DCSS' audit, court staff and judicial officers:

1. Opened dozens of new child support cases filed by the local child support agency
2. Received, filed, and processed over one hundred case documents related to DCSS filed cases
3. Calendared over one hundred matters in DCSS filed cases.
4. Conducted courtroom hearings on all such calendared matters
5. Spent significant time training and overseeing the work performed by grant-funded staff and contractors, as well as coordinating justice system activities with the local child support agency
6. Assisted hundreds of self-represented litigants (including many that struggled with literacy or did not speak, read, or write in English) involved in child support matters by explaining court policies and procedures and assisting in the completion of Court documents. This includes those documents where the local child support agency lacked the resources necessary to provide this assistance directly.

These statistics do not include activities and services provided to general family law cases wherein the local child support agency entered into the case after the initial filing by the involved parents.

Given the important work noted above, the Court believes that returning \$85,708, or roughly 67 percent of the Court's total grant funding, would unnecessarily harm the Court's ability to achieve these kinds of outcomes and effectively serve those who are seeking help in the courts or in navigating the legal system surrounding child support.

The Court sincerely thanks the DCSS auditors for their professionalism and for their efforts to improve the AB1058 program. The Court is hopeful that DCSS and the Judicial Council will be open to further dialogue that considers alternative methods for documenting personnel costs that would allow smaller courts, such as ours, to continue to focus the majority of our energies on serving the public and ensuring the continued financial support of California's children.

Sincerely,



Jason B. Galkin

Court Executive Officer

Cc: Anna Maves, Supervising Attorney, CFCC Administration, Judicial Council of California  
Grant Parks, Manager, Internal Audit Services, Judicial Council of California

## Evaluation of Response

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On January 23, 2018, OAC issued a draft report for the Court's review and response. We received the Court's written response to the draft report on February 13, 2018. The Court concurs with our findings and provided a corrective action plan. If implemented as described, it should be sufficient to fully address these issues in the future. We will follow up in six months for the progress of the corrective action plan.

Francesca Chavez  
Associate Management Auditor  
Office of Audits and Compliance  
Department of Child Support Services

Rakhee Devi, CPA  
Associate Management Auditor  
Office of Audits and Compliance  
Department of Child Support Services

Scott Hunter  
Audit Manager  
Office of Audits and Compliance  
Department of Child Support Services

Karen Dailey  
Audit Chief  
Office of Audits and Compliance  
Department of Child Support Services