Judicial Council of California · Administrative Office of the Courts

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on: December 13, 2011

Title
Trial Court Improvement Fund Allocation: Superior Court of San Joaquin County Supplemental Funding Request for Urgent Needs

Rules, Forms, Standards, or Statutes Affected
No

Recommended by
Administrative Office of the Courts
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Agenda Item Type
Action Required

Effective Date
December 13, 2011

Date of Report
December 7, 2011

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Executive Summary

The Administrative Office of the Courts submits to the Judicial Council three options for review and consideration in response to the supplemental funding application submitted on November 16, 2011 by the Superior Court of California, County of San Joaquin requesting a one-time distribution of $2 million in urgent needs funding for fiscal year 2011–2012, of which $1.08 million would be used to avoid "more layoffs, furloughs, reduced hours and possibly additional court closures" and $916,000 would provide an operating and emergency reserve (see Attachment A). There is $7.34 million remaining in the Trial Court Improvement Fund urgent needs reserve.

Recommendation

The Administrative Office of the Court (AOC) recommends that the council consider the following options:

Option 1 – Deny the Court's Request
Do not distribute any urgent needs monies to the Superior Court of California, County of San Joaquin (Superior Court), which would require the court to address over the next six months through layoffs, furloughs, court closures, and/or other measures a projected negative $1.08 million (General Fund) fund balance by the end of the fiscal year.

Option 2 – Approve Funding to Achieve Zero Fund Balance
Allocate a one-time distribution of $1.08 million to the Superior Court from the urgent needs reserve, which would provide funding to fully offset the court's projected negative (General Fund) fund balance of $1.08 million and be used by the court to avoid additional layoffs, furloughs, reduced hours, and possibly court closures in FY 2011–2012.

Option 3 – Grant the Court's Request / Funding to Achieve a Positive Fund Balance of $916,000
Allocate a one-time distribution of $2 million to the Superior Court from the urgent needs reserve, as requested by the court, which would result in the outcome under Option 2 but also provide the court a projected $916,000 operating and emergency reserve by the end of FY 2011–2012. The $916,000 would provide an operating and emergency reserve that is 61 percent of the court's FY 2011–2012 minimum level required by the council's fund balance policy.[1] Twenty-five percent of the minimum level is $372,500 and 50 percent is $745,000.

Terms and Conditions
The Judicial Council may make any allocation of funding contingent upon one or more of the following terms and conditions (or on other terms as the council determines):

1) The Superior Court must submit a written report on the use of the funding it received and on its fiscal situation as of June 30, 2012 to the Judicial Council by no later than August 1, 2012.

2) The Judicial Council may allocate any or all funding in the form of a loan (e.g., any amount that would bring the Superior Court above a zero unrestricted fund balance, such as the $916,000 in Option 3).

[1] According to the council's Fund Balance Policy, each court must maintain a minimum operating and emergency reserve that is computed using a court's prior year General Fund expenditures, excluding any material one-time expenses: 5 percent of the first $10 million, 4 percent of the next $40 million, and 3 percent of the amount over $50 million. If a court determines that it is unable to maintain the minimum reserve, a court must notify the Administrative Director of the Courts in writing and provide a plan with a specific timeframe to correct the situation.

3) The supplemental funding for urgent needs must be used for the sole purpose of keeping open a sufficient number of courtrooms and providing other necessary services during the FY 2011–2012 to meet the Superior Court's obligation to adjudicate all matters, both civil and criminal, that come before the court.

4) The Superior Court's remaining fund balance carried over from the 2011–2012 fiscal year (Fund Balance) is subject to the following requirements:

   (a) The court must use that portion of the Fund Balance that is necessary to meet its obligation to adjudicate all matters that come before the court.

   (b) The court must not use any money from the Fund Balance except to meet its obligation to adjudicate all matters that come before the court and meet necessary expenses that arise during the 2011–2012 fiscal year that could not reasonably have been anticipated.

   (c) Solely to enable the court to meet its obligation to adjudicate all matters that come before the court, the Judicial Council authorizes the court to reduce its Fund Balance below the amount that the court would otherwise be required to maintain under the council-adopted Fund Balance Policy.

5) The Superior Court must submit by July 1, 2012 a written report on the status of correcting fiscal-related issues identified in the audit report accepted by the Judicial Council on October 28, 2011.

Previous Council Action

At its September 9, 2011 meeting, the Judicial Council allocated to the Superior Court of California, County of San Francisco a $2.5 million loan from the FY 2011–2012 urgent needs reserve, reducing the reserve to $7.34 million from $9.85 million. At its October 28, 2011 meeting, the council approved a new process for courts to request supplemental funding related to urgent needs. Only trial courts that are projecting a current-year negative fund balance can apply for supplemental funding, and applications must be submitted to the Administrative Director of the Courts at least 25 business days prior to a scheduled council meeting for consideration at that meeting (see Attachment B for application deadlines). Beginning in FY 2012–2013, the council will (a) not consider a request for supplemental funding related to urgent needs in the current fiscal year until 90 days after the state Budget Act is enacted into law, (b) allocate no more than 75 percent of the urgent needs monies available for the current fiscal year prior to March 16, and (c) determine after March 15 whether to allocate any remaining urgent needs monies, including additional funding to courts that prior to March 16 received less than what they requested. In addition, the council approved carrying over to FY 2012–2013 any

unspent FY 2011–2012 urgent needs monies, which will be used to address the urgent needs of trial courts in FY 2012–2013.

Rationale for Recommendation

Summary of the Superior Court of San Joaquin County's request

On November 16, 2011, the Superior Court submitted a supplemental funding application requesting a one-time $2 million distribution in urgent needs monies for Judicial Council consideration at its December 13, 2011 business meeting.[2] The court indicates that it is not requesting a loan because it is in a "severe financial crisis" and "is simply not in a position to repay the amount of $2,000,000." The court identifies "historical underfunding" and "budget cuts," not extraordinary and/or unanticipated expenses, as the factor leadings to the funding request, such that "although we have taken many actions to mitigate the budget shortfall this fiscal year, implementing additional cuts to meet our deficit will cripple the operations of this court and further diminish access to justice."

Consequence of not receiving funding: Impact on access to justice and court operations and mitigation measures. The court's application identifies the consequences to the public, access to justice, and court operations of not receiving urgent needs monies. In addition to measures already taken in FY 2011–2012 that have limited access to justice, such as closing the branch court in Tracy with two full-service courtrooms (criminal, traffic, civil and small claims) and closing one of the two courtrooms in the Lodi branch court, the Superior Court would take additional measures, including laying off 17 employees, which together with laying off 42 staff on October 1, 2011 would cut the court's civil division staff level by more than half and eliminate the small claims divisions entirely. However, "(s)mall claims, limited and unlimited civil cases will be filed to preserve any statute of limitation." The approximately 8 staff remaining in this division will be assigned to handle unlawful detainers and to accept civil filings. With additional staff reductions, the court indicates that it would not be able "to process all [civil] case types in a timely manner" and the "processing of traffic cases may also be in jeopardy." As a result of the court closures, "today, all citizens needing to use the court for those case types have to travel to as much as 40 miles to our Stockton court branch location."

Other than the measures described above, the court believes "there are no other means or alternatives the court has to mitigate the consequences of access to justice to the public if this request is not approved." As such, court staff has indicated to AOC staff that the court has not developed any specific plans other than to lay off 17 staff and close three courtrooms. Laying off 17 staff and closing three courtrooms in the Superior Court's family court facility would result in an estimated current-year (about 6 months) savings of about $540,000 related to layoffs and $45,000 related to operational costs of the three courtrooms. These savings are insufficient to fully address the projected negative fund balance of $1.08 million, and if implemented without

[2] The application deadline for the December 13, 2011 meeting was November 2, 2011, but given that the council approved the new process on October 28, 2011, in consultation with the Court Executives Advisory Committee, AOC staff agreed to extend the deadline to November 16, 2011.

other cost-savings measure or revenue enhancements the court acknowledges that it would still face an estimated negative (General Fund) fund balance of about $500,000.

Background

This section provides the following background/historical information related to the Superior Court, mostly provided by the court in its application form: funding history, court financials, position and compensation, cost control measures, revenue enhancements, court filings and case backlog, and outstanding audit issues.

Funding history: Workload and equity funding and reduction relief. Beginning in FY 2005–2006 the council has allocated to the Superior Court workload and equity funding and relief from funding reductions due to the court being identified as underfunded relative to other courts by the Resource Allocation Study (RAS) funding analysis. From FY 2005–2006 through FY 2007–2008 the council allocated $4.46 million in workload and equity funding. In FY 2008–2009, the council did not allocate the court's $1.43 million pro rata share of the statewide $92.24 million one-time reduction. That year, trial courts qualified for an exemption from a pro rata share of the reduction if they both (1) were identified as being at least 15 percent underfunded according to the RAS funding analysis and (2) had a FY 2007–2008 adjusted fund balance less than or equal to 10 percent of a court's FY 2008–2009 beginning Trial Court Trust Fund base (ongoing) allocation. The Superior Court was one of the four courts that qualified. In the following fiscal year the council provided relief for the court by approving a $1.02 million one-time reduction offset to the court's $3.0 million share of the statewide $190.13 million ongoing reduction.[3]

Court financials: FY 2008–2009 through FY 2010–2011. Table 1 below displays the court's beginning balance, financing sources, expenditures, and ending fund balance across three fiscal years (see Attachment C for financing sources and expenditures at a more granular level). The court experienced an annual surplus (revenues exceeding expenses) in FY 2008–2009, but annual deficits (expenditures exceeding revenues) in the next two fiscal years. As a result, its fund balance declined by 73 percent from $4.55 million to $1.23 million over that time period. In FY 2008–2009 courts collectively received $69 million in ongoing funding through the Consumer Price Index adjustment (in lieu of the State Appropriations Limit or SAL adjustment), of which the Superior Court's share was $818,000. Since FY 2008–2009 the SAL funding adjustment has been suspended. Although realizing savings from 12 mandatory furlough days, 10 court closure days and delaying a 3 percent COLA in FY 2009–2010, the court saw its fund balance decrease by 18 percent from the previous fiscal year, mostly attributable to the $2.03 million reduction allocated to the court. In FY 2010–2011, the court incurred unfunded cost increases of $1.87 million for enhanced judicial protection ($565,000), sheriff-provided security ($650,000), and a 3 percent COLA ($650,000). These increases contributed to a 67 percent decrease in the court's ending fund balance.

[3] At the August 14th, 2009, Judicial Council meeting staff presented information from the RAS funding analysis to determine the impacts of $190.13 million ongoing reduction. The Superior Court of San Joaquin County was determined to be one of the two most under-resourced courts in the state based on the analysis.

Table 1: Fund Condition Statement for the San Joaquin Superior Court

	FY 2008-2009	FY 2009-2010	FY 2010-2011
Beginning Fund Balance	4,118,289	4,546,156	3,706,888
Trial Court Revenue Sources	40,010,899	38,208,347	38,826,490
Trial Court Reimbursements	5,005,677	4,823,003	5,322,184
Prior Year Revenue	(34,727)	(1,155)	(139,901)
Total Financing Sources	49,100,137	47,576,351	47,715,660
Personal Services	28,523,970	28,550,148	29,516,920
Operating Expenses and Equipment	15,680,550	14,829,476	16,393,701
Special Items of Expense	518,503	489,401	566,409
Prior Year Expense Adjustments	(169,042)	438	5,430
Total Expense	**44,553,981**	**43,869,463**	**46,482,460**
Financing Sources Over/(Under) Expenses	**427,868**	**(839,269)**	**(2,473,688)**
Ending Fund Balance	**4,546,156**	**3,706,888**	**1,233,200**
Fund Balance as a % of Total Expense	10.20%	8.45%	2.65%
Personal Services as % of Total Expenses	64.02%	65.08%	63.50%

Table 2 below displays the Superior Court's FY 2010–2011 fund balance constraints, using the classifications and categories required by the Governmental Accounting Standards Board (GASB) Statement 54 and the council's Fund Balance Policy.[4] Of the court's FY 2010–2011 total ending fund balance of $1.23 million, about $196,000 was restricted and $1.04 million committed. Based on the council's Fund Balance Policy, the court computes its minimum operating and emergency reserve for FY 2011–2012 to be $1.485 million.[5] However, the court is identifying an operating and emergency reserve level of only about $190,000, which is about 13 percent of the required minimum reserve level.

[4] GASB Statement 54 requires entities to classify their fund balance using the following five classifications (constraints), from strongest to weakest: nonspendable, restricted, committed, assigned, and unassigned.

[5] Given the realignment of sheriff security funding from the trial courts to the counties starting in FY 2011–2012, when computing the reserve level, the court excluded FY 2010–2011 sheriff security expenditures since those can be considered material one-time General Fund expenditures.

Table 2: FY 2010–2011 Fund Balance Constraints for the San Joaquin Superior Court

Fund Type	Classification	Category	Description	Fund Balance
Special Revenue Non-Grant	Restricted	Imposed by Law (Statutory)	Small Claims Advisory Fund	$4,321
Special Revenue Non-Grant	Restricted	Imposed by Law (Statutory)	Alternative Dispute Resolution Fund	191,226
General Fund -- Non-TCTF	Committed	Contractual (Next Fiscal Year)	FY11-12 Multi Year Vendor Contract Obligations	847,972
General Fund -- Non-TCTF	Committed	Operating and Emergency	Operating and emergency reserve	141,856
General Fund -- TCTF	Committed	Operating and Emergency	Operating and emergency reserve	47,825
Total				**$1,233,200**

Position and budgeted compensation history. Table 3 below displays the cost-of-living adjustments (COLA) and pay equity adjustments (PEA) provided by the court to its employees from FY 2006–2007 to 2010–2011. The total compounded increases over this time period ranges from 17.1 percent to 40.3 percent, depending on an employee's bargaining unit and classification. In FY 2007–2008, effective December 24, 2007, the court provided pay equity adjustments based on a classification pay study of 10 courts: Alameda, Contra Costa, Fresno, Kern, Sacramento, Santa Clara, Sonoma, Stanislaus, Tulare and Ventura.[6] On July 1, 2007, the court signed a three-year agreement, covering the period July 1, 2007 to October 31, 2010, that provided a 3 percent COLA effective the first full pay period in each fiscal year. In FY 2009–2010 the 3 percent COLA was delayed due to budget reductions.

During the period FY 2008–2009 through FY 2011–2012, the Superior Court did not negotiate or implement any changes to its share of employer contributions for employee health benefits or retirement. The current employer share of the total health insurance premium is 100 percent for employee only and 80 percent for dependents. The court does not make any contributions toward the employees' share of retirement contributions, which ranges from 1.53 to 4.59 percent of each employee's salary. The court does not make any contributions to any retiree health care benefit plan. Retirees pay 100 percent of retirement health care plan costs.

[6] The 10 counties used in the total compensation study are the same 10 counties that were used by San Joaquin County prior to the Trial Court Employment Protection and Governance Act (SB 2140), and continue to be used by the court pursuant to an agreement with SEIU.

Table 3: Cost-of-Living and Pay Equity Adjustments, FY 2006–2007 to FY 2010–2011

Number of staff	FY 2006-07 COLA (Effective 7/10/06)	FY 2007-08 COLA (Effective 7/9/07)	FY 2007-08 PEA (Effective 12/24/07)*	FY 2008-09 COLA (Effective 7/11/08)	FY 2009-10 COLA (Deferred)	FY 2010-11 COLA (Effective 7/5/10)	Sum of Adjustments	Adjustments Compounded Year to Year
43	3.0%	4.0%	3.0%	3.0%	0.0%	3.0%	16.0%	17.1%
165	3.0%	4.0%	3.5%	3.0%	0.0%	3.0%	16.5%	17.6%
1	3.0%	4.0%	5.0%	3.0%	0.0%	3.0%	18.0%	19.3%
8	3.0%	4.0%	6.0%	3.0%	0.0%	3.0%	19.0%	20.5%
24	3.0%	4.0%	7.0%	3.0%	0.0%	3.0%	20.0%	21.6%
1	3.0%	4.0%	8.0%	3.0%	0.0%	3.0%	21.0%	22.7%
1	3.0%	4.0%	9.5%	3.0%	0.0%	3.0%	22.5%	24.4%
12	3.0%	4.0%	10.0%	3.0%	0.0%	3.0%	23.0%	25.0%
1	3.0%	4.0%	10.5%	3.0%	0.0%	3.0%	23.5%	25.6%
21	3.0%	4.0%	11.5%	3.0%	0.0%	3.0%	24.5%	26.7%
2	3.0%	4.0%	14.0%	3.0%	0.0%	3.0%	27.0%	29.6%
8	3.0%	4.0%	13.5%	3.0%	0.0%	3.0%	26.5%	29.0%
2	3.0%	4.0%	20.0%	3.0%	0.0%	3.0%	33.0%	36.4%
1	3.0%	4.0%	22.0%	3.0%	0.0%	3.0%	35.0%	38.6%
1	3.0%	4.0%	23.5%	3.0%	0.0%	3.0%	36.5%	40.3%
291								

*The actual PEA provided by the court was the PEA based on the study less the COLA effective 7/7/2007.

Table 4 below displays the number of authorized and filled positions (expressed as full-time equivalents or FTEs) reported by the court and the average budgeted salary, benefits, and total compensation per filled position from FY 2008–2009 to the current fiscal year. For comparison, it also displays the average budgeted salary, benefits, and total compensation per filled position for all 58 trial courts. From July 1, 2008, to October 1, 2011, the court's total authorized positions (FTEs) stayed essentially the same: 364.9 versus. 365.05 FTEs. Similarly, the court's filled positions remained fairly constant from July 1, 2008 to July 1, 2010, but then declined by 5.4 percent (18 FTEs) by July 1, 2011, and then by an additional 11.1 percent in October 2011 when the court laid off 42 employees (36.2 FTEs).

Table 4: San Joaquin Superior Court Position and Budgeted Compensation Data and Statewide (58 court) Average Budgeted Data[7]

	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	As of October 1, 2011
Authorized Positions (FTEs) as of July 1	364.9	364.6	370.2	365.05	365.05
Filled Positions (FTEs) as of July 1	347.6	349.6	342.4	324.05	287.85
Average Budgeted Salary per Filled Position	55,361	56,539	58,516	60,394	62,059
Average Budgeted Benefits per Filled Position	25,551	30,471	30,071	34,005	34,286
Average Budgeted Compensation per Filled Position	80,912	87,010	88,587	94,399	96,345
Average Budgeted Salary per Filled Position (excluding SJOs)	54,460	55,428	57,684	59,533	61,090
Average Budgeted Benefits per Filled Position (excluding SJOs)	25,687	30,052	29,769	33,641	33,881
Average Budgeted Compensation per Filled Position (excluding SJOs)	81,147	85,480	87,453	93,173	94,971
Statewide Average Budgeted Salary per Filled Position	61,364	62,309	63,912	63,925	n/a
Statewide Average Budgeted Benefits per Filled Position	29,467	30,232	32,797	33,734	n/a
Statewide Average Budgeted Compensation per Filled Position	90,831	92,541	96,709	97,659	n/a

Cost control measures. In its application, the court identified various cost-saving measures it has taken since FY 2004–2005. Since the application requires courts to provide only measures taken in the past three years, the report includes only those taken in the prior three fiscal years and the current fiscal year through October 1, 2011.

FY 2008–2009

- In March of 2009 the Superior Court closed a courtroom at the Tracy branch court 4 days a week and one courtroom in Stockton at their main courthouse one day a week; and
- Implemented a hiring freeze, including a commissioner position that has been vacant since January 2009.

FY 2009–2010

- In August 2009 the clerks public counter hours were reduced by closing to the public at 3:00 p.m.;
- Negotiated 12 employee mandatory furlough days and deferred a 3 percent COLA until FY 2010–2011;
- Eliminated the Alternative Dispute Resolution Program;

[7] Data are from trial courts' Schedule 7A and represent a snapshot as of July 1 of each fiscal year.

- Limited judges and staff training to meet only mandatory requirements;
- Reduced the mandatory two psychiatric evaluations to one in the majority of criminal cases; and
- Redirected Asset Replacement Funds for court operations pursuant to approval by the Judicial Council.

FY 2010–2011

- Negotiated 8 employee mandatory furlough days for the fiscal year.

FY 2011–2012

- Closed the branch court in Tracy with two full service courtrooms (criminal, traffic, civil and small claims);
- Closed one of the two courtrooms in the Lodi branch court;
- Laid off 42 staff as of October 1, 2011; and
- Negotiated 4 employee mandatory furlough days for the fiscal year.

Revenue enhancements. In its application, the court identified two revenue enhancements measures. First, the court is currently in the process of establishing the ability for the public to pay traffic citations at retail locations instead of at a courthouse in order to relieve the burden of court closure on the public and to increase collections. Second, the court is considering expanding the use of civil assessment to increase revenues. The court did not provide estimates of revenues to be received from the implementation of these enhancements.

Court filings. In its application, as displayed in Table 5 below, the court provided civil filings data for limited, unlimited, unlawful detainer, and small claims cases for FY 2008–2009 through 2010–2011. Filings have decreased from 11 percent to 25 percent, depending on the case type.

Table 5: Civil Filings

Case Type	FY 2008–09	FY 2009–10	FY 2010–11	Percentage Change from FY 2008–09 to FY 2010–11
Limited	10,890	9,372	8,214	-25%
Unlimited	3,524	3,396	3,128	-11%
Unlawful Detainers	6156	5,250	4,816	-22%
Small Claims	3,645	3,567	3,213	-12%

Case backlog. In its application, the court identified numerous backlogs in Section II.D, which is provided verbatim below.

- At all court locations and for all case types, all control lists are not being worked on. The control lists are reports generated by the case management systems alerting the court that

an action needs to be taken on specific cases because a "due date" has passed. Examples of these reports are: Traffic School Completions; FTA and FTP reports (cases ready for these actions); Completion of Community Service; and so on. Any time a due date or time clock is triggered; a report is generated so the court can take further action on a particular case.

- Because of the court closures and staff lay-offs, the phone traffic at all remaining branch locations has increased.
- The lines at these locations have also increased leading to many litigants waiting in line as long as 30 to 45 minutes.
- Both clerk's and court judgments for civil date back to September and there are approximately 200 cases needing judgments entered.
- Unlawful detainer court default judgments date back to June 2011 and there are approximately 120 cases needing judgments entered.
- Writs of Execution and Abstracts are approximately 2 weeks behind.
- New complaints used to be processed within 2 days, now take 4 to 5 days to process.
- In juvenile delinquency, no writs are able to be processed. No sealings of cases are being done until all staff (those who have recently been reassigned due to the court closures and lay-offs) are completely trained.
- Traffic citation entry is backlogged about 2 weeks which represents nearly 2,000 traffic citations. A traffic citation entry backlog is very dangerous. Phone calls, written correspondence and people at the counter increase because the public are waiting for their courtesy notices and want to know how to take care of their citations. When there is no backlog of traffic citation entry, courtesy notices are generated and mailed promptly which then makes phone calls, written correspondence and people at the counter making inquiries more manageable.
- Small claims cases are now being scheduled up to 100 days out. CCP 116.330(a) requires that these cases be set for hearing within 70 days.
- Family law judgments date back to September and represent approximately 150 judgments that need to be entered.
- Findings and Orders after hearing date back to September and there are approximately 100 cases.
- Records eligible for destruction are not being destroyed. We estimate approximately 40,000 to 50,000 cases/records are eligible for destruction.
- Interpreter statements needing to be entered into the Court Interpreter Data Case Management System are approximately 1 month behind.
- The longer we work with a reduced staff the larger the backlogs become.

Recent audit findings of fiscal issues and remediation measures taken. The most recent audit of the Superior Court was initiated in September of 2009 and completed in April of 2011. This audit was accepted by the council at its October 28, 2011 business meeting. Appendix A, Issue Log, of the audit report is provided in Attachment D to this report. The focus of the audit was primarily on FY 2009–2010 and the following aspects of the court's operations:

- Implementation of internal controls that ensures integrity of information, compliance with laws and procedures, protection of courts assets and management of resources.
- Compliance with *the Trial Court Financial Policies and Procedures Manual*.
- Compliance with statutes and rules of court.

According to the court, the majority of the open issues are expected to be corrected by the end of December 2011. The few remaining will be resolved by the end of FY 2013–2014. The court is still addressing the following fiscal issues identified in the audit:

- Cash handling procedures. The current cash handling procedures make the court vulnerable to embezzlements and unauthorized access to the accounting records. To date only three logged items remain unresolved. Two of the outstanding items the court expects to correct upon completion of facility related modifications. The third remaining item will be addressed in FY 2013–2014. To correct this remaining issue today would require an unnecessary expenditure.

- Calculation and distribution of court collections. Besides the penalties being wrongly accounted for, these errors create substantial liability for monetary penalties imposed on the court by other governmental entities. All open issues are expected to be corrected by the end of December 2011.

- Tracking and reporting of fixed assets. The audit report cited a need for improvement in inventory, transfer and status of its assets. The court expects to implement corrections by the end of January 2012.

Fiscal Analysis of Request

Table 6 below displays the court's projected beginning balance, financing sources, expenditures, and ending fund balance across three fiscal years (see Attachment E for financing sources and expenditures at a more granular level). By not laying off any additional staff and closing any additional courts, the court estimates that it would end FY 2011–2012 with a negative (General Fund) fund balance of $1.08 million. The estimated total ending fund balance, when all court funds are considered, is negative $498,164, as the court projects it will end the year with about $586,000 in restricted monies that the court projects to not be able to spend: $352,756 related to funds restricted for revocation hearing costs, $5,766 related to the small claims advisory fund, and $227,272 related to the alternative dispute resolution fund. After reviewing the court's revenue and expenditure assumptions, AOC staff believes the court's estimate is reasonable.

Table 6: Projected Ending Fund Balances for the San Joaquin Superior Court Assuming No Further Layoffs or Court Closures

	FY 2011-2012	FY 2012-2013	FY 2013-2014
Beginning Fund Balance	1,233,200	(1,083,960)	(6,234,627)
Trial Court Revenue Sources	29,335,102	24,898,675	23,892,024
Trial Court Reimbursements	5,569,916	5,431,916	5,431,916
Prior Year Revenue	0	0	0
Total Financing Sources	**36,138,218**	**29,246,631**	**23,089,313**
Personal Services	28,090,897	26,964,292	26,964,292
Operating Expenses and Equipment1	7,972,868	7,944,349	7,944,349
Special Items of Expense	572,617	572,617	572,617
Prior Year Expense Adjustments	0	0	0
Total Expense	**36,636,382**	**35,481,258**	**35,481,258**
Financial Sources Over/(Under) Expenses	(1,731,364)	(5,150,667)	(6,157,318)
Projected Ending Fund Balance	(498,164)	(6,234,627)	(12,391,945)
Fund Balance by Fund			
General Fund (revocation hearing monies)	352,756		
Small Claims Advisory Fund	5,766		
Alternative Dispute Resolution Fund	227,272		
General Fund	(1,083,960)		

In FY 2011–2012, the court's Trial Court Trust Fund allocation was reduced by $2.176 million, its share of the $138.252 million ongoing statewide reduction offset. It will, however, receive $807,000 in ongoing funding for FY 2010–2011employee benefit cost increases, which is reflected in its financing sources projection. The reduction is contributing to an estimated 4 percent decrease in revenues from the previous fiscal year. The court's total expenses are estimated to decrease by 3.7 percent from the previous fiscal year, mostly due to an estimated savings of $2.2 million from laying off 42 staff on October 1, 2011; of $86,000 from the court closures in Tracy and Lodi; and of $264,000 from employee furloughs. Although personal services expenses are expected to decrease due to the layoffs, the court is projecting $683,000 in employee benefit cost increases in FY 2011–2012. The AOC has submitted a request to the Department of Finance for the funding of FY 2011–2012 benefit cost increases and is awaiting notification of DOF's decision.

The court is projecting higher FY 2011–2012 operating expenses compared to FY 2010–2011 for professional consultant costs, California Emergency Management Agency and Office of Traffic Safety grants, and the county-provided case management system. Even with all the cost-saving measures implemented in the current year, total expenses are still estimated to be 5 percent higher than total current-year financing sources.

The continuing depletion of its fund balance has created cash-flow issues for the court. During the first quarter of FY 2011–2012, the Superior Court received $2.087 million in cash advances from its TCTF allocation necessitated by the delay in grant reimbursements (e.g., AB 1058).

Projections for FY 2012–2013 and FY 2013–2014. If urgent needs funding is not provided to the court, the court estimates that its negative (General Fund) fund balance will grow to $6.2 million by the end of FY 2012–2013 and to $12.4 million by the end of FY 2013–2014. The court's estimate is based on the assumption that courts will need to fully absorb the ongoing reductions that have been so far partially offset by fund transfers and other solutions, such that revenues in FY 2012–2013 are projected to decrease by an estimated $4.436 million. The court's projects revenues to decrease by an additional $1.07 million in FY 2013–2014. The court's expenditure projections for FY 2012–2013 reflect the full-year cost savings of laying off 42 staff, but, because the savings was immaterial ($28,000), does not reflect the closures of Tracy branch court and the one courtroom in Lodi. All other expenditure projections in both FY 2012–2013 and FY 2013–2014 are status quo from FY 2011–2012. Based on these projections, the Superior Court is not in a position to borrow money, at least in the next two years. AOC staff has reviewed the court's projections for FY 2012–2013 and FY 2013–2014 and finds them reasonable given the assumptions.

Implementation Requirements, Costs, and Operational Impacts

The costs and operational impacts of not granting the Superior Court's request are discussed above.

Comments from Interested Parties

As required by the process for supplemental funding of urgent needs, the Superior Court of California, County of San Joaquin was provided a preliminary version of the report for comment. The court provided the following comments:

In reference to Table 4, page 9, "The number of filled FTE's should be adjusted to reflect the true number of FTE's funded by TCTF and not grant funded positions (which are approximately 20 FTE's). The vacancy percentage rate should increase accordingly." Also, "It should be noted that as of October 1, 2011, the average budgeted salaries and benefits appear to be higher because the 42 people laid off had the least seniority and salaries were lower. No salary increases were provided."

In reference to Table 5, page 10, "Civil filings were provided to illustrate the work load that would be affected due to the additional layoff of 17 staff in the civil division, if the supplemental funding were not approved."

Attachments

1. Attachment A: San Joaquin Superior Court Application for Supplemental Funding
2. Attachment B: Supplemental Funding for Urgent Needs Application Deadlines
3. Attachment C: San Joaquin Superior Court 3-Year Financial History
4. Attachment D: Appendix A of San Joaquin Superior Court Audit Report
5. Attachment E: San Joaquin Superior Court 3-Year Financial Projection

APPLICATION FOR SUPPLEMENTAL FUNDING FORM

REVISED

Please check the type of funding that is being requested:

☐ **CASH ADVANCE** (Complete Section I only.)

☒ **URGENT NEEDS** (CompleteSections I through IV.)

☒ **ONE-TIME DISTRIBUTION**

☐ **LOAN**

SECTION I: GENERAL INFORMATION

SUPERIOR COURT: San Joaquin	**PERSON AUTHORIZING REQUEST** (Presiding Judge or Court Executive Officer): **Robin Appel, Presiding Judge**	
	CONTACT PERSONAND CONTACT INFO: **Rosa Junqueiro, Court Executive Officer, 222 E. Weber Avenue, Room 303, Stockton, CA95202** junqueiro@courts.san-joaquin.ca.us; **(209) 468-2539**	
DATE OF SUBMISSION: 11/16/2011	**DATE FUNDING IS NEEDED BY:** 12/13/2011	**REQUESTED AMOUNT:** **$ 2,000,000**

REASON FOR REQUEST

(Please briefly summarize the reason for this funding request, including the factors that contributed to the need for funding. If your court is applying for a cash advance, please submit a cash flow statement when submitting this application. Please use attachments if additional space is needed.)

In spite of this court's historical underfunding, over the years, we have managed to maintain access to justice for the citizens of San Joaquin County. However, the latest round of budget cuts imposed in the current fiscal year, were simply too deep. Although we have taken many actions to mitigate the budget shortfall this fiscal year, implementing additional cuts to meet our deficit will cripple the operations of this court and further diminish access to justice. We continue to do the best job we can in providing access to justice and our judges and staff continue to provide the best service possible.

Our court has implemented mandatory furloughs, reduced office hours, closed a full service 2-courtroom court branch and one of two courtrooms in another branch court and effective 10/1/11 forty-five staff were laid off. The amount requested will eliminate the deficit we face this current fiscal year as well as give us a small emergency and operating reserve fund balance to cover any unbudgeted financial emergencies. It will also eliminate the need to close our 3-courtroom family court facility and avoid additional lay-offs this fiscal year.

Included in the court's revenue/budget projections is the money allocated for the AB109 Criminal Justice Realignment. Our court's allocation was $453,435. Although this amount is a significant increase to our budget, we are well aware that the money can only be used for court activities related to the revocation hearings. Using the budget projections outlined in the Judicial Council report of August 26, 2011, we estimate our nine-month expenditures will be approximately $100,000. There could be a balance of approximately $350,000 at the end of this fiscal year. However, there have been no decisions made as to what will be done to any remaining funds. Will they be taken back and reallocated to courts that had a shortfall? Will the funds be kept locally and roll over to help cover anticipated increased costs for FY2012-13? What is clear is that these funds may not be used to cover the courts general operating costs. So although, it appears that these funds have helped to reduce our bottom line budget deficit, the reality is that these monies are similar to a grant. They can only be used for a specific purpose; in this case revocation hearings. It is a mistake to include the entire amount of $453,435 as revenue for the court, included to reduce the deficit the court projects for the current fiscal year.

Because the court believes it will be able to claim approximately $100,000 from the AB109 Criminal Justice Realignment funds, the court was able to use this reimbursement for currently budgeted positions. This enabled the court to re-hire two (2) staff full-time for the remaining 8 months of the current fiscal year to assist in the processing of small claims cases. County wide, the court had a total of eight (8) staff processing small claims cases. With the layoffs (and current vacancies), the small claims division has been reduced to three (3) full-time staff. Hiring back two (2) staff will bring this division to a total of five (5) staff. We believe we will be able to process additional small claims cases therefore reducing the impact to the public.

In the event we do not receive emergency funding we will have even more layoffs, furloughs, reduced hours and possibly additional court closures. We would be unable to provide even basic services if we were required to make these additional cuts.

Section II through Section IV of this form is required to be completed ONLY if your court is applying for supplemental funding forurgent needs. Please submit attachments to respond to Sections II through Section IV.

SECTION II: TRIAL COURT OPERATIONS AND ACCESS TO JUSTICE

A. What would be the consequence to the public and access to justice if your court did not receive the requested funding?

For the current fiscal year, access to justice has already been diminished in San Joaquin County. With the court closures in Lodi and Tracy, we have eliminated access to justice for the citizens of those communities we serve for the case types of traffic, small claims and civil. Today, all citizens needing to use the court for those case types have to travel to as much as 40 miles to our Stockton court branch location.

If this request is not funded, we will have to lay off an additional seventeen (17) staff, creating a 30% vacancy rate. The divisions that would be affected by the additional lay-offs are civil and small claims. Our civil division staff will be cut more than one-half and we will eliminate the small claims division entirely (although we had expected, with the current lay-offs, to eliminate all small claims hearings, we have managed to continue to hear a number of small claims calendars). Small claims, limited and unlimited civil cases will be filed to preserve any statute of limitations. However, as there will only be approximately eight (8) staff remaining in this division, these staff will be assigned to handle unlawful detainers and to accept civil filings.The filings for limited civil, unlimited civil, unlawful detainers and small claims for the past three (3) fiscal years are as follows:

Case Type	FY 2008-2009	FY 2009-2010	FY 2010-2011
Limited Civil	10,890	9,372	8,214
Unlimited Civil	3,524	3,396	3,128
Unlawful Detainers	6,156	5,250	4,816
Small Claims	3,645	3,567	3,213

Before the lay-offs took effect, we had approximately 38 staff to support our civil and small claims departments and were able to maintain the workload without much of a backlog. The area that seemed to always have some level of backlog was unlawful detainers. Today, our backlog in processing unlawful detainers dates back 4 months and represents approximately 120 cases. If this request were not funded and the court was forced to lay off the additional seventeen (17) staff, access to justice for civil case types in San Joaquin County will be virtually non-existent and the backlogs will increase.

B. What would be the consequence to your court's operations if your court did not receive the requested funding?

Given the number of filings and the reduction of staff, the court will not be able to process all case types in a timely manner. Family law, civil, small claims, probate, guardianship, conservatorship, mental health and traffic cases will all suffer. Severe back log of these case types will occur. The processing of traffic cases may also be in jeopardy. Simply stated, there will not be enough staff to process all case types.

C. What measures will your court take to mitigate the consequences to access to justice and court operations if funding is not approved by the Judicial Council?

Because this court has historically been underfunded, there are no other means or alternatives the court has to mitigate the consequences of access to justice to the public if this request is not approved. Since 2004, this court has taken several measures, as identified in Section III, A, to mitigate its expenses and stay within budget. The court has and remains good stewards of public funds. However, there simply comes a time where there is a breaking point and business can no longer be conducted. For this court, that time is now.If funding is not approved, the court will have to lay off additional staff, which will have a direct impact to access to justice, especially for those litigants needing the services of the civil and small claims divisions.

D. Please describe your court's current caseload backlog.

At all court locations and for all case types, all control lists are not being worked on. The control lists are reports generated by the case management systems alerting the court that an action needs to be taken on specific cases because a "due date" has passed. Examples of these reports are: Traffic School Completions; FTA and FTP reports (cases ready for these actions); Completion of Community Service; and so on. Any time a due date or time clock is triggered; a report is generated so the court can take further action on a particular case.

Because of the court closures and staff lay-offs, the phone traffic at all remaining branch locations has increased. The lines at these locations have also increased leading to many litigants waiting in line as long as 30 to 45 minutes.

Both clerk's and court judgments for civil date back to September and there are approximately 200 cases needing judgments entered.

Unlawful detainer court default judgments date back to June 2011 and there are approximately 120 cases needing judgments entered.

Writs of Execution and Abstracts are approximately 2 weeks behind.

New complaints used to be processed within 2 days, now take 4 to 5 days to process.

In juvenile delinquency, no writs are able to be processed. No sealings of cases are being done until all staff (those who have recently been reassigned due to the court closures and lay-offs) are completely trained.

Traffic citation entry is backlogged about 2 weeks which represents nearly 2,000 traffic citations. A traffic citation entry backlog is very dangerous. Phone calls, written correspondence and people at the counter increase because the public are waiting for their courtesy notices and want to know how to take care of their citations. When there is no backlog of traffic citation entry, courtesy notices are generated and mailed promptly which then makes phone calls, written correspondence and people at the counter making inquiries more manageable.

Small claims cases are now being scheduled up to 100 days out. CCP 116.330(a) requires that these cases be set for hearing within 70 days.

Family law judgments date back to Septemberand represent approximately 150 judgments that need to be entered.

Findings and Orders after hearing date back to September and there are approximately 100 cases.

Records eligible for destruction are not being destroyed. We estimate approximately 40,000 to 50,000 cases/records are eligible for destruction.

Interpreter statements needing to be entered into the Court Interpreter Data Case Management System are approximately 1 month behind.

The longer we work with a reduced staff the larger the backlogs become.

APPLICATION FOR SUPPLEMENTAL FUNDING FORM(Continued)

SECTION III: REVENUE ENHANCEMENT ANDCOST CONTROL MEASURES

A. What has your court done in the past three fiscal years in terms of revenue enhancement and/or expenditure reductions, including layoffs, furloughs, reduced hours, and court closures?

Effective 10/1/11, the branch court in Tracy (which had two full service courtrooms) and one of two courtrooms in our Lodi branch court was be closed. Also effective 10/1/11, there were 45 people laid off. This is in addition to the nearly 50 positions that remain vacant due to attrition over the last three years. We have already reduced expenses in every single line item in our operations budget, where the court had control to do so. The court has also reduced service hours closing all court locations at 3:00 p.m. We have eliminated a significant number of small claims hearings because we do not have the staff to process them. The following are other actions taken by the court:

1. In FY2004-2005, we replaced sheriff's staff at our weapons screening stations with private security;
2. In FY2004-2005, we replaced sheriff deputies in 3 of our 4 civil courtrooms with private security or court attendants;
3. A commissioner position has been kept vacant since January 2009;
4. The court does not pay for minors counsel in family law cases;
5. We have had a hiring freeze in effect since FY2008-2009;
6. Since March of 2009, we closed a courtroom at our Tracy branch court 4 days a week and a courtroom in Stockton 1 day each week;
7. Effective August 3, 2009, we reduced the clerks public counter hours, closing to the public at 3:00 p.m.;
8. In FY2009-2010, our employees took 12 mandatory furlough days and deferred a 3% COLA that had been negotiated 2 years prior;
9. In FY2009-2010, eliminated the Alternative Dispute Resolution Program;
10. Since FY2009-2010, all judicial and court staff training was reduced to only those training events that are mandatory;
11. Since FY2009-2010, with the cooperation of the local bar, we reduced the mandatory two psychiatric evaluations from two to one in the majority of criminal cases;
12. Since FY2009-2010, we redirected the use of asset replacement funds;
13. In FY2010-2011, our employees took 8 mandatory furlough days;
14. With a 25% reduction in staff over the last 3 fiscal years due to attrition and layoffs, we areno longer able to process small claims cases as required by statute;
15. In FY2011-2012 our employees took 4 mandatory furlough days;
16. We have scrutinized every single line item in the courts budget and have renegotiated contracts, eliminated coffee, tea and water for jurors, eliminated water for courtrooms, reduced office supplies, no longer purchase post-it notes, reduced the number of parking spaces paid for by the court, reduced the number of court provided cell phones from 8 to 5, reduced the number of vehicles the court leases for official court use to 3, reduced the use of court reporters for cases unless required by statute and we continue to use typewriters for processing our juvenile delinquency cases as we have never had the funds to support the implementation of a computerized case management system.

In addition to all of the cost reduction measures, the court has had a civil assessment program in place since 1995 and is considering expanding the use of civil assessment to increase revenues. The court is also in the process of establishing the ability for the public to pay traffic citations at retail locations instead of at a courthouse in order to relieve the burden of the court closures on the public and to increase collections.

B. Please describe the employee compensation changes in the past five fiscal years for the trial court (e.g. cost of living adjustments and benefit employee contributions).

FY06-07: 4% COLA (negotiated increase for all staff effective July 10, 2006)

FY07-08: **This was our courts 3rd year of SAL Inflation and Workforce funding and because our court has always been one of the most underfunded courts in the state it was also our 3rd year of Workload and Equity funding determined by the RAS model. Because of our historical lack of funding, FY07-08 was the first year that we believed we could address the inequities of our staff's salaries that had been falling behind those of their colleagues for years.** It had been 7 years since any equities had been given to court staff and many professional level positions in Finance, Procurement, Human Resources and Information Technology had been added during this time due to increased responsibilities taken on by the Court from the County. In many cases the entry level total compensation for these positions was far below the mean of like positions in other courts of similar size. The Court negotiated a 3.4 year contract in spring of 2007 for the term covering July 1, 2007 through October 31, 2010. One of the terms of this 3 year contract was to conduct a compensation study to determine if equities were appropriate. The court surveyed total compensation packages of all court positions using the 10 courts in the counties specified in our employee/employer MOUs that were agreed upon for this purpose. Please note that the 3% COLA given to all staff (except commissioners and interpreters) in FY07-08 was subtracted from the calculated equity increase to determine the net equity percentage given. It has been the practice of this county to only provide salary compensation to raise staff salaries to the median level of those classifications they are compared with. The following are the equities provided:

- 3% equity provided to 43 staff
- 3.5% equity provided to 164.5 staff
- 5% equity provided to 1 staff
- 6% equity provided to 8 staff
- 7% equity provided to 24 staff
- 8% equity provided to 1 staff
- 9.5% equity provided to 1 staff
- 10% equity provided to 12 staff
- 10.5% equity provided to 1 staff
- 11.5% equity provided to 21 staff
- 14% equity provided to 2 staff
- 16.5% equity provided to 8 staff
- 20% equity provided to 2 staff
- 22% equity provided to 1 staff
- 23.5% equity provided to 1 staff

There were some classifications that did not receive equities based on the total compensation study. The total number of staff that did not receive equities was 11.

FY08-09: 3% COLA (negotiated in Spring of 2007 as part of a 3-year contract)

FY09-10: Contract side letter negotiated to defer 3% COLA one year due to allocated budget reductions. Court staff furloughed 1 day per month for 12 months. (COLA was due as part of 3-year contract negotiated in Spring of 2007)

FY10-11: FY09-10 side letter sunsets restoring 3% COLA that was deferred in FY09-10 and ending furloughs. Court issued 12.75 layoff notices effective 8/13/10. To avoid layoffs, further negotiations resulted in SEIU voting to furlough 1 day per month until the end of the contract beginning January 1, 2010 resulting in 6 furlough days in FY10-11.

FY11-12: No COLA, 4 days furlough, 42 positions laid off due to insurmountable allocated budget reductions.

SECTION IV: FINANCIAL INFORMATION

Please provide the following:

A. Current detailed budget projections/estimates for the current fiscal year, budget year and budget year plus one (e.g., if current fiscal year is FY 2011-2012, then budget year would be FY 2012-2013 and budget year plus one would be FY 2013-2014).

Please see attachment A.

B. Current status of your court's fund balance.

While the court is projecting a deficit in the current year of approximately $500,000 after staff layoffs and court closures, the deficit is actually larger. The court will be required to designate approximately $585,796 of restricted funds that are not available for use for regular court operations. These funds represent programs such as ADR, Small Claims Advisory and AB109 (which are all statutorily required programs). Also, whether or not this request is approved, the court will not be in compliance with the Judicial Council's Fund Balance Policy. If the request is not approved the court will have to lay off approximately 17 more staff just to get to a $0 fund balance with no operating and emergency reserve. If the request is approved, then the fund balance will be approximately $1,500,000. However, as mentioned above, $585,796 of restricted funds are included in that fund balance. This really only leaves $914,204 for an operating and emergency reserve that should be $1,485,000 based on the operating and emergency reserve calculation required by the Judicial Council's Fund Balance Policy.

C. Three-year history of your court's year-end fund balances, revenues, and expenditures.

Please see attachment B.

D. The most recent audit findings of fiscal issues and the remediation measures taken to address them.

Please see attachment C, Appendix A of our recent Audit completed April 2011 and presented to the Judicial Council for acceptance on October 28, 2011.

E. If the trial courts' application is for one-time supplemental funding, please explain why a loan would not be appropriate.

Our court is simply not in a position to repay the amount of $2,000,000. Since Trial Court Funding, our court has never really been able to accumulate "extra" funding to set aside in a reserve. We have always just been able to manage. As you can see by the detailed budget projections/estimates provided in attachment A, this court is in a severe financial crisis. Future cuts to this court will leave this court with virtually no staff to process all case types. This court will become a criminal court only. Access to justice in San Joaquin County will not exist.

Attachment B

Deadlines for Submitting Applications for Supplemental Funding for Urgent Needs[1]

Fiscal Year	Scheduled Council Meeting	Application Deadline
FY 2011-2012	December 13, 2011	November 2, 2011
FY 2011-2012	January 24, 2012	December 14, 2011
FY 2011-2012	February 28, 2012	January 19, 2012
FY 2011-2012	April 24, 2012	March 16, 2012
FY 2011-2012	June 22, 2012	May 16, 2012
FY 2012-2013	July 27, 2012	6/20/2012 (tentative)[2]
FY 2012-2013	August 31, 2012	7/26/2012 (tentative)[2]
FY 2012-2013	October 26, 2012	9/19/2012 (tentative)[2]
FY 2012-2013	December 14, 2012	11/5/2012 (tentative)[2]

1. Applications must be received by the Administrative Director of the Courts at least 25 business days prior to a scheduled council business meeting for consideration at that meeting.

2. The first council meeting in FY 2012-2013 where applications for supplemental funding related to urgent needs will be considered will depend on the date the budget act is enacted into law.

San Joaquin County Superior Court
Revenue, Expense and Fund Balance History
Fiscal Years FY08-09, FY09-10 and FY10-11

GL ACCOUNTS	10/11 YTD 2010	09/10 YTD 2009	08/09 YTD 2008
** 812100-TCTF - PGM 10 OPERATIONS	$ (38,248,019)	$ (37,574,502)	$ (39,362,636)
** 816000-OTHER STATE RECEIPTS	$ -	$ -	$ (134,561)
** 821000-LOCAL FEES REVENUE	$ (261,706)	$ (269,131)	$ (269,722)
** 821200-ENHANCED COLLECTIONS - REVENUE	$ (160,376)	$ (146,073)	$ (5,786)
** 822000-LOCAL NON-FEES REVENUE	$ (89,390)	$ (51,731)	$ (46,999)
** 823000-OTHER - REVENUE	$ (32,302)	$ (87,818)	$ (19,495)
** 825000-INTEREST INCOME	$ (34,697)	$ (79,092)	$ (171,699)
** 831000-GENERAL FUND - MOU/REIMBURSEMENTS	$ (197,050)	$ (181,916)	$ (176,229)
** 832000-PROGRAM 45.10 - MOU/REIMBURSEMENT	$ (630,610)	$ (621,414)	$ (778,387)
** 833000-PROGRAM 45.25 - REIMBURSEMENTS	$ (240,936)	$ (304,000)	$ (274,665)
** 834000-PROGRAM 45.45 - REIMBURSEMENTS	$ (1,318,458)	$ (1,451,865)	$ (1,452,021)
** 835000-PROGRAM 45.55 - REIMBURSEMENTS	$ (30,927)	$ (2,562)	$ -
** 836000-MODERNIZATION FUND - REIMBURSEMEN	$ -	$ -	$ (37,532)
** 837000-IMPROVEMENT FUND - REIMBURSEMENTS	$ (76,695)	$ (73,820)	$ (74,831)
** 838000-AOC GRANTS - REIMBURSEMENTS	$ (1,073,523)	$ (1,151,892)	$ (1,187,511)
** 839000-NON-AOC GRANTS - REIMBURSEMENTS	$ (1,041,148)	$ (388,963)	$ (593,430)
** 840000-COUNTY PROGRAM - RESTRICTED FUNDS	$ (652,934)	$ (586,473)	$ (374,181)
** 860000-REIMBURSEMENTS - OTHER	$ (59,904)	$ (60,098)	$ (56,890)
** 890000-PRIOR YEAR REVENUE	$ 139,901	$ 1,155	$ 34,727
****** REVENUE TOTAL**	**$ (44,008,772)**	**$ (43,030,195)**	**$ (44,981,848)**
900301 SALARIES - PERMANENT	$ 18,267,741	$ 17,699,003	$ 18,123,292
900320 LUMP SUM PAYOUTS	$ 59,239	$ 87,541	$ 5,355
900350 FURLOUGH & SALARY REDUCTION SAVINGS (NON	$ (565,550)	$ (823,302)	$ -
900351 FURLOUGH CLOSURE (NON-JUDICIAL OFFICERS)	$ 565,550	$ 823,302	$ -
903301 TEMPORARY EMPLOYEES - ON P/R	$ 157,928	$ 192,053	$ 456,896
906303 SALARIES - COMMISSIONERS	$ 457,664	$ 520,582	$ 610,219
906311 SALARIES - SUPERIOR COURT JUDGES	$ 271,658	$ 269,111	$ 271,469
906350 FURLOUGH SAVINGS - COMMISSIONER	$ -	$ (25,342)	$ -
906351 FURLOUGH CLOSURE - COMMISSIONER	$ -	$ 25,342	$ -
908301 OVERTIME	$ 1,484	$ 2,837	$ 13,489
** SALARIES TOTAL	$ 19,215,715	$ 18,771,126	$ 19,480,720
910301 SOCIAL SECURITY INS & MEDICARE - OASDI	$ 1,093,221	$ 1,071,085	$ 1,118,345
910302 MEDICARE TAX	$ 257,930	$ 254,638	$ 266,950
910401 DENTAL INSURANCE	$ 201,508	$ 211,492	$ 198,220
910501 MEDICAL INSURANCE	$ 3,231,497	$ 3,152,095	$ 2,690,232
910503 RETIREE BENEFIT	$ 212,341	$ 260,486	$ 155,283
910601 RETIREMENT (NON-JUDICIAL OFFICERS)	$ 4,742,864	$ 4,301,204	$ 4,072,578
912301 RETIREMENT (SUBORDINATE AND JUDICIAL OFF	$ 120,938	$ 130,135	$ 140,178
912501 STATUTORY WORKERS COMPENSATION	$ 322,754	$ 273,972	$ 263,399
913301 UNEMPLOYMENT INSURANCE	$ 54,007	$ 51,291	$ 53,846
913501 LIFE INSURANCE	$ 15,465	$ 17,071	$ 17,046
913601 VISION CARE INSURANCE	$ 30,410	$ 31,798	$ 31,774
913701 OTHER JUDGES BENEFITS	$ 3,504	$ 4,831	$ 17,072
913850 BENEFIT REDUCTION SAVINGS	$ (45,045)	$ (67,467)	$ -
913851 BENEFIT REDUCTION	$ 45,045	$ 67,467	$ -
913899 OTHER BENEFITS	$ 14,766	$ 18,924	$ 18,327

GL ACCOUNTS	10/11 YTD 2010	09/10 YTD 2009	08/09 YTD 2008
** STAFF BENEFITS TOTAL	$ 10,301,205	$ 9,779,021	$ 9,043,250
***** **PERSONAL SERVICES TOTAL**	**$ 29,516,920**	**$ 28,550,148**	**$ 28,523,970**
* 920200 - LABORATORY EXPENSE	$ 2,969	$ 12,624	$ 9,294
* 920300 - FEES/PERMITS	$ 244,698	$ 255,913	$ 263,939
* 920500 - DUES AND MEMBERSHIPS	$ 6,415	$ 5,557	$ 6,759
* 920600 - OFFICE EXPENSE	$ 96,248	$ 106,666	$ 203,508
* 921500 - ADVERTISING	$ 1,794	$ 212	$ 5,675
* 921700 - MEETINGS, CONFERENCES, EXHI	$ 27,667	$ 27,499	$ 68,234
* 922300 - LIBRARY PURCHASES AND SUBSC	$ 192,922	$ 168,128	$ 210,585
* 922500 - PHOTOGRAPHY	$ 75	$ -	$ -
* 922600 - MINOR EQUIPMENT - UNDER $5K	$ 21,579	$ 73,973	$ 305,640
* 922700 - EQUIPMENT RENTAL/LEASE	$ 19,228	$ 29,903	$ 39,105
* 922800 - EQUIPMENT MAINTENANCE	$ 52,995	$ 38,532	$ 40,673
* 922900 - EQUIPMENT REPAIRS	$ 33,669	$ 339	$ 29,047
* 923900 - GENERAL EXPENSE - SERVICE	$ 3,875	$ 3,470	$ 27,995
* 924500 - PRINTING	$ 180,534	$ 205,300	$ 229,234
* 925100 - TELECOMMUNICATIONS	$ 358,285	$ 381,399	$ 432,569
* 926200 - STAMPS, STAMPED ENVELOPES,	$ 228,241	$ 256,727	$ 242,760
* 928800 - INSURANCE	$ 9,919	$ 9,787	$ 12,814
* 929200 - TRAVEL- IN STATE	$ 32,841	$ 29,790	$ 87,163
* 933100 - TRAINING	$ 8,080	$ 4,349	$ 17,661
* 934500 - SECURITY	$ 9,686,134	$ 7,774,488	$ 7,660,047
* 935200 - RENT/LEASE	$ 270,399	$ 270,389	$ 530,566
* 935300 - JANITORIAL	$ 180,982	$ 178,682	$ 170,232
* 935400 - MAINTENANCE AND SUPPLIES	$ -	$ 292	$ 3,976
* 935600 - ALTERATION	$ -	$ -	$ 35,634
* 935700 - OTHER FACILITY COSTS - GOODS	$ 513	$ 293	$ 11,677
* 935800 - OTHER FACILITY COSTS - SERV	$ -	$ -	$ 6,758
* 936100 -UTILITIES	$ -	$ 804	$ 71,034
* 938300 - GENERAL CONSULTANT AND PROF	$ 858,305	$ 685,882	$ 829,075
* 938500 - COURT INTERPRETER SERVICES	$ 548,713	$ 650,189	$ 731,249
* 938600 - COURT REPORTER SERVICES	$ 124,803	$ 112,575	$ 112,880
* 938700 - COURT TRANSCRIPTS	$ 463,801	$ 563,754	$ 586,732
* 938800 - COURT APPOINTED COUNSEL CHA	$ 67,175	$ 72,346	$ 82,146
* 938900 - INVESTIGATIVE SERVICES	$ 324	$ 523	$ 1,901
* 939000 - COURT ORDERED PROFESSIONAL	$ 370,952	$ 437,234	$ 550,855
* 939100 - MEDIATORS/ARBITRATORS	$ 145,836	$ 157,611	$ 167,179
* 939200 - COLLECTION SERVICES	$ 83,241	$ 96,656	$ -
* 939400 - LEGAL	$ 42,842	$ 30,228	$ 31,664
* 939800 - OTHER CONTRACT SERVICES	$ 20,934	$ 21,368	$ 27,261
* 941100 - SHERIFF	$ 28,923	$ 26,578	$ 28,916
* 942100 - COUNTY-PROVIDED SERVICES	$ 1,712,498	$ 1,813,365	$ 1,483,351
* 943200 - IT MAINTENANCE	$ 8,100	$ 21,569	$ 49,727
* 943300 - IT COMMERCIAL CONTRACT	$ 114,368	$ 136,918	$ 169,402
* 943500 - IT REPAIRS/SUPPLIES/LICENSE	$ 120,068	$ 150,602	$ 78,436
* 952300 - VEHICLE OPERATIONS	$ 22,756	$ 16,343	$ 28,558
* 952500 - CASH DIFFERENCES	$ -	$ 616	$ (1,363)
***** **OPERATING EXPENSE AND EQUIPMENT TTL**	**$ 16,393,701**	**$ 14,829,476**	**$ 15,680,550**
** **JURY COSTS TOTAL**	**$ 406,515**	**$ 394,535**	**$ 416,040**
* 971000 - OTHER-SPECIAL ITEMS OF EXPENSE	$ -	$ -	$ 128

GL ACCOUNTS	10/11 YTD 2010	09/10 YTD 2009	08/09 YTD 2008
* 972001 - JUDGMENTS, SETTLEMENTS AND	$ 4,318	$ -	$ -
* 972200 - GRAND JURY COSTS	$ 155,576	$ 94,866	$ 102,334
**** OTHER TOTAL**	**$ 159,894**	**$ 94,866**	**$ 102,462**
**** PRIOR YEAR EXPENSE ADJUSTMENTS TOTAL**	**$ 5,430**	**$ 438**	**$ (169,042)**
**** EXPENSES TOTAL**	**$ 46,482,460**	**$ 43,869,463**	**$ 44,553,981**
*** 701100 OPERATING TRANSFERS IN	$ (377,327)	$ (70,570)	$ (12,346)
*** 701200 OPERATING TRANSFERS OUT	$ 377,327	$ 70,570	$ 12,346
**** OTHER FINANCIAL SOURCES (USES)	$ -	$ -	$ -
***** REV & EXP**	**$ 2,473,688**	**$ 839,269**	**$ (427,868)**
ENDING FUND BALANCE	**$ 1,233,200**	**$ 3,706,888**	**$ 4,546,156**

APPENDIX A

Issue Control Log

Superior Court of California, County of San Joaquin

Note:

The Issue Control Log summarizes the issues identified in the audit. Any issues discussed in the body of the audit report are cross-referenced in the "Report No." column. Those issues with "Log" in the Report No. column are only listed in this appendix. Additionally, issues that were not significant enough to be included in this report were discussed with Court management as 'informational' issues.

Those issues that are complete at the end of the audit are indicated by the 'C' in the column labeled C. Issues that remain open at the end of the audit have an 'I' for incomplete in the column labeled I and have an Estimated Completion Date.

Internal Audit Services will periodically contact the Court to monitor the status of the corrective efforts indicated by the Court.

April 2011

	FUNCTION	RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
1	**Court Administration**								
		1.1		**The Court Has Not Developed a Written Business Continuity Plan**					
			13	The Court does not have a written business continuity plan.	**I**		The Court agrees with the finding(s). During March 2011, the Court's Business Services Manager and IT Manager attended a two day AOC Continuity of Operations training to assist the Court with ongoing development of a BCP, and a DRP. Unfortunately the Court has experienced a setback due to the untimely death of its IT Manager. In addition, due to significant lack of financial resources, the Court will be unable to replace the IT Manager until there is funding to do so. As a result, it will take an undetermined amount of time for the Court to finalize both plans. The Court fully understands the importance of these plans and will continue to press forward to completion. In addition, the Court has already obtained a copy of the County's BCP/DRP related to the CJIS and AMOS systems.	Information Technology (IT) Manager and Business Services Manager	If funding permits, we hope to fill the IT manager position in FY 2013-14. Perhaps then we can finalize this plan. Our current resources simply do not allow us do what is necessary.
			13	Although the Court uses the County's CJIS and AMOS systems, it does not have a copy of the County's business continuity plan readily available in case of emergency.	**I**		See response above.	IT Manager and Business Services Manager	FY 2013-14
			13	The Court/County MOU does not include annual testing of the business continuity plan and disaster recovery plan on the CJIS and AMOS systems by the County.	**I**		See response above.	IT Manager and Business Services Manager	FY 2013-14
			13	The Court's draft IT disaster recovery plan does not address remote storage of emergency materials, conditions under which the backup site would be used, or procedures for notifying the backup site and the company providing remote storage.	**I**		See response above.	IT Manager and Business Services Manager	FY 2013-14
			13	The Court has not tested its existing evacuation plan.	**I**		See response above.	IT Manager and Business Services Manager	FY 2013-14
			13	The Court does not test the backup site.	**I**		See response above.	IT Manager and Business Services Manager	FY 2013-14
			Log	One of ten submitted cases we reviewed was decided on at least 122 days after being taken under submission.		**C**	Responsible Subordinate Judicial Officer retired.	Presiding Judge	Complete

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FUNCTION		RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
2	**Fiscal Management and Budgets**								
		2.1		**The Court Needs to Improve Its Payroll Processing Practices**					
			4	The Court does not require all of its employees to submit a supervisor-approved timesheet regardless of whether the employee used leave time. Consequently, the Court risks paying employees for time not worked.	**I**		The Court established a new policy requiring employees to complete and sign the time off request (timesheet) and submit it to their supervisor or manager for approval. The supervisor or manager will sign the timesheet after reviewing and ensuring the timesheet is complete and the information accurate. The Court Human Resources Technician (payroll processor) will ensure the timesheet has been approved by the supervisor or manager prior to posting the time into the payroll system. The Senior Human Resources Analyst will review the system payroll data for accuracy before the County Auditor's Office records payroll for distribution to Court employees.	Human Resources Manager	November 2010
			4	Out of our sample of 10 regular full-time employees, one, a court commissioner, did not turn in a timesheet to document leave taken as required by the Court's Personnel Rules.	**I**		See response above.	Human Resources (HR) Manager	November 2010
			4	The Court does not always document prior approval of all overtime worked.	**I**		Currently all overtime requests must be approved by the Court Executive Officer prior to a supervisor or manager allowing staff to work overtime. Timesheets have been modified to include a box that supervisors or managers must check indicating overtime was approved prior to allowing the employee to work overtime. Courtroom staff can work overtime without prior approval pursuant to the Court's Personnel Rules. In this case, court runs late into the lunch hour or after normal work hours. Courtroom staff must complete a timesheet indicating the overtime hours (or minutes) they worked and submit the timesheet to their supervisor or manager to verify court ran over. The supervisor or manager will initial the timesheet indicating the overtime is approved before submitting the timesheet to payroll for processing.	HR Manager	November 2010
			4	The County mails checks and paystubs to Court employees' homes rather that providing checks and paystubs to the Court for physical distribution to each Court employee. Consequently, the Court risks making payments to fictitious employees.	**I**		The County Auditor's office processes our payroll and paychecks. It is the County's policy that paychecks must either be electronically deposited to the employee's bank or financial institution, or the paycheck must be mailed via US Postal Service to their home address. The County does not physically distribute any payroll checks so the Court will not be able to comply with the recommendation to have the County deliver to the Court employee's checks for physical distribution. However, the Court's Senior Human Resources Analyst will print out a list of all court staff from the Court's position control list and match the list with the names on payroll at least quarterly to ensure that the names are legitimate court staff.	HR Manager	November 2010
3	**Fund Accounting**			**No issues to report.**					

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4	**Accounting Principles and Practices**								
			Log	The Court is not calculating janitorial costs correctly for the Child Support Commissioner Program (CSC) grant. Specifically, the Court is not applying the CSC occupancy percentage to the Court's total janitorial cost prior to applying the percentage for partially reimbursable operating expenses.	**I**		The court will document the calculation used to allocate janitorial costs to the Child Support Commissioner Program (CSC) grant. The calculation will be based on occupancy percentage and applied to the total janitorial cost prior to the application of the percentage for partially reimbursable operating expenses.	Chief Financial Officer (CFO)	July 2010
5	**Cash Collections**								
		5.1		**The Court Needs to Improve Its Control and Oversight over Handwritten Receipts**					
			1	Supervisor does not secure the manual receipt book when not in use.		**C**	Securing handwritten receipt books - The court agrees there is an issue with the securing of handwritten receipt books at some of our court locations. We will require managers and supervisors to secure and maintain physical custody of the handwritten receipt books when not in use.	CFO	November 2010
			1	Manual receipt books contained missing receipts that could not be accounted for.		**C**	Missing receipts, out of sequence receipts, completion of pertinent information on receipts and the timely entering of hand written receipts into CMS issues. - The Court agrees with issue 2 and will implement the audit recommendations. We will require managers and/or supervisors to review at least quarterly the handwritten receipt books to ensure all receipts are accounted for. When the CMS goes down, handwritten receipt books will be issued to staff and subsequently returned to the manager and/or supervisor when the CMS is restored to use. The manager and/or supervisor will review the books when returned to ensure the receipts were issued in sequential order, that staff completed receipts with all pertinent information and that receipts are entered into the CMS no later than 1 business day following the day the CMS system was restored to use. When discrepancies are discovered, they will be discussed immediately with staff, documented and retained with the receipt book for audit purposes.	CFO	November 2010
			1	Manual receipts used out of sequence.		**C**	See response above.	CFO	November 2010
			1	Manual receipts not always completed with all relevant information.		**C**	See response above.	CFO	November 2010
			1	Court location could not determine the amount of money collected due to a manual receipt not noting a case number or the dollar amount paid.		**C**	See response above.	CFO	November 2010
			1	Manual receipts not always posted timely in CMS.		**C**	See response above.	CFO	November 2010

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FUNCTION		RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
			1	Manual receipts used for reasons other than when CMS is down.		C	Using handwritten receipts for instances other than CMS being down – The Court agrees that handwritten receipts should not be used except when CMS is down. The instances where the court has used handwritten receipts and our responses are as follows: 1. Victim Restitution - After investigating the handwritten receipt the auditor found that prompted this finding, our manager over criminal found it was a payment that was taken in the courtroom at the request of a judge 2 years ago. This was an isolated event. I met with one of our courtroom supervisors and she will remind staff that the court does not have a mechanism to collect and disburse victim restitution. Also, with handwritten receipts secured by only managers and/or supervisors, they would be aware of this situation if it happened in the future and would instruct the clerk and/or judge in the proper procedure. 2. UD Writs – We have reiterated with staff that hand written receipts are only to be used when the CMS system is down. Also, with handwritten receipts secured by only managers and/or supervisors, they would be aware of this situation if it happened in the future and would instruct the clerk in the proper procedure.	CFO	January 2011
							3. Juror Sanctions – This issue arose because jurors would come to the counter to pay right from court after being sanctioned, before a JUR case had been opened in our CMS (V3). Because V3 will not let a receipt be issued until a case is opened, staff would issue a handwritten receipt. A new procedure has been developed and implemented that allows a clerk at the counter to open the JUR case and issue a receipt in V3 thus preventing the use of handwritten receipts. 4. Payments needing judicial review prior to filing – Our staff have been told that handwritten receipts are only to be issued in the event a CMS is down. Using handwritten receipts for payments needing judicial review prior to filing may have been an access and/or training issue so we are enforcing the rule that handwritten receipts be secured by only managers and/or supervisors. If receipt books have to be obtained from the manager or supervisor it gives them an opportunity to review the situations and train clerks in the correct procedures thus avoiding the use of handwritten receipts. 5. Trust payments associated with different locations – Our staff have been told that handwritten receipts are only to be issued in the event a CMS is down. To avoid turning away customers wanting to establish trust for another location as much as possible, we have given the manager and supervisor Global Accounting access to our traffic CMS (Amos) which enables them to establish trusts for other locations. If by chance the supervisor or manager is not there, if the customer pays with a check, their canceled check is their receipt. If they want to pay in cash, staff will instruct the customer to go pay at the correct location.		

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FUNCTION	RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
	5.2		**The Court Needs to Strengthen Its Cash Handling Procedures**					
		3	Cashiers share the same cash bag when taking payments.		**C**	The Court agrees that we need to standardize our cash collection procedures at all locations. Individual cash bags will be assigned to each cashier on a daily basis. We have created a sign-out/sign-in log that supervisors, managers or lead clerks will complete each day when issuing cashiers their change bags. Thorough completion of the log will assure bags that are checked-out are checked-in and that the counting of the cash at each of these intervals has been completed.	CFO	March 2011
		3	No evidence of supervisory review of cashiers' beginning cash.		**C**	See response above.	CFO	March 2011
		3	Court location does not always retain the original voided receipts.		**C**	The Court agrees with the recommendations of issue 2. Managers will be sent instructions to retain a copy of all voided transactions and to make sure either a manager, supervisor or lead LPC signs and retains the Void Payment Acknowledgement Form. Also, we will reiterate with managers that only managers, supervisors and a designated lead clerk (LPCIII) should have system access to void transactions and that anyone that has system access to void should never void their own transaction.	CFO	March 2011
		3	The Void Payment Acknowledgement Form is not always sign-approved or retained to support voided transactions.		**C**	See response above.	CFO	March 2011
		3	Inconsistent supervisory review and approval of void transactions. As a result, our review of voided transactions revealed that a LPC II, rather than a manager, supervisor, or LPC III, voided transactions at one location, an LPC III voided 10 of their own transactions and a LPC II, rather than a manager, supervisor, or LPC III, voided another transaction at another location, and a LPC I, instead of a manager, supervisor, or LPC III, voided transactions at a third location.		**C**	See response above.	CFO	March 2011
		3	No evidence of supervisory review of cashiers' daily closeout, including monies collected in the courtroom.	**I**		The court agrees with all the recommendations of issue 3. The court will require each location to perform the daily closeout process at the end of each day. Supervisors will be required to review, sign and date their staff's closeout/balancing reports to demonstrate their review of the process and that staff have performed all the necessary end-of-day balancing functions.	CFO	March 2011
		3	One cash bag assigned to the Civil division contained four unprocessed cash payments with dates ranging from June 2008 to March 2010.	**I**		See response above.	CFO	March 2011
		3	Clerks do not always sign their cashier balancing reports.	**I**		See response above.	CFO	March 2011
		3	Clerks do not always prepare an adding machine tape to verify total amount of checks collected.	**I**		See response above.	CFO	March 2011
		3	Daily balancing is not done until the following day.	**I**		See response above.	CFO	March 2011

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FUNCTION	RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
		3	Two-person team not used to open mail.	I		Due to staffing restrictions and the already time consuming process of opening and processing mail, the court is struggling with the 2 person team needed to open the mail and log all checks received, particularly at the branch locations. I am working with managers to see if we can come up with an alternative procedure that will comply with the procedure. We agree we should safeguard and secure unprocessed mail payments until they can be entered into the CMS and we agree we should make every effort to process all mail payments by the next business day. We will also consider putting those checks in "suspense" that are unable to be processed but we are hopeful that once we reiterate with staff and hold them accountable, we should rarely need to do that.	CFO	May 2011
		3	Mail payment log not used.	I		See response above.	CFO	May 2011
		3	Clerk opening mail also performs the incompatible function of processing mail payments on the same day.	I		See response above.	CFO	May 2011
		3	Clerk processing mail payments also performs the incompatible function of processing counter payments on the same day.	I		See response above.	CFO	May 2011
		3	Clerk processing drop box payments also performs the incompatible function of processing counter payments on the same day.	I		See response above.	CFO	May 2011
		3	Unprocessed mail payments are left unsecured on clerks' desks.	I		See response above.	CFO	May 2011
		3	Mail payments are held unprocessed longer than 48 hours.	I		See response above.	CFO	May 2011
		3	Court location does not maintain an aging schedule of unprocessed mail payments.	I		See response above.	CFO	May 2011
		3	Court location does not have an escalation process for unprocessed mail payments.	I		See response above.	CFO	May 2011
		3	No evidence of supervisor or manager verifying the deposit.	I		We agree that supervisors should sign and date all deposit slips to demonstrate their review of the deposit. In Stockton procedures have been changed where either supervisors or lead clerks verify deposits from cashiers every day. We will work with the branch courts to make sure they are following this procedure as well.	CFO	Stockton - May 2011 Branch Courts - October 2011
		3	Court personnel who verify cashier daily closeout and balance also perform the incompatible function of preparing the deposit.	I		In the accounting department, staff who do the deposits no longer verify the daily closeout and balance function.	CFO	May 2011
		Log	Court stamps are not secured overnight at three locations.	I		We agree that stamps should be secured overnight and will implement as soon as possible at all locations.	CFO	June 2011
		Log	Photo ID is not required for credit card payments at one location.	I		We agree that photo ID should be required for credit card payments at all locations and will implement as soon as possible.	CFO	June 2011
		Log	Access to safe is not limited to supervisors and managers at three locations.	I		Safe access should be limited to supervisors, managers and designated lead clerks if necessary. We will work with all locations to comply.	CFO	June 2011
		Log	The safe remains unlocked throughout the entire day or for extended lengths of time at four locations.	I		The safe should remain locked throughout the entire day at all locations. We will work with all locations to comply.	CFO	June 2011
		Log	No locations had a receipt notice posted at the time of our review.	I		The 3rd floor of the Stockton courthouse now has a receipt notice posted for the public. We will work with all locations to implement.	CFO	June 2011
		Log	Fee waiver notice not posted at the time of our review at one location.	I		The 3rd floor of the Stockton courthouse now has a fee waiver notice posted for the public. We will work with all locations to implement.	CFO	June 2011

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FUNCTION		RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
			Log	HR poster not posted at the time of our review at one location.		C	We received updated Fed and State Law posters on 2/2/11 and were posted at all court locations by 2/11/11.	HR Manager	February 2011
			Log	HR poster incomplete or outdated at the time of our review at three locations.	I		Updated posters were provided to all court locations by 2/11/11. A follow up will be conducted to make sure all posters are visible to staff.	HR Manager	May 2011
			Log	Log and summary of occupational injuries and illnesses incomplete or not displayed at the time of our review at eight locations.		C	A copy of the required OSHA reports and logs are available in the HR office. OSHA 300A Summary of Work Related Injuries and Illnesses were provided to all Court Managers for posting in their department on 5/16/11.	HR Manager	May 2011
			Log	Clerks keep cash bags in their unlocked desk drawer during the day at one location.	I		Clerks must keep cash bags locked up whether they are in the safe, their cash drawer at the counter or at their desk. We will work with all locations to comply.	CFO	June 2011
			Log	Not all clerks assigned to cashier are given cash bags since the majority of transactions are done via check. As a result, cashiers must leave their window to get change from the accounting unit when needed at one location.		C	We have returned to the policy that all cashiers for the day check out cash bags. Select supervisors have been given change bags to eliminate the need for cashiers to go to accounting for change.	CFO	June 2011
			Log	One court location does not maintain a drop box payment log.	I		We will work with all locations to comply.	CFO	June 2011
			Log	Public access to cashiers is not restricted at one location.	I		As an under resourced court, we are unable to provide restricted public access to cashiers in the form of glass partitions at the counter. When the court is adequately funded, the court will do so.	Business Services Manager	If funding allows, FY 2013-14
			Log	Clerk did not complete all required information on the "Daily Cash Count" form at one location.	I		We will work with all locations to comply.	CFO	June 2011
			Log	Arrangement of offices at four locations is not designed to prevent employees who handle cash from having access to accounting records, such as daily closeout reports and bank deposit packages.	I		Unfortunately our court locations have limited space for employees in our current facilities. Fortunately, each of the 4 locations where this issue was identified will be getting new/remodeled facilities over the next few years. Once these new facilities are completed the court will be in a much better position to facilitate compliance to this issue.	Court Management	FY 2014-15
			Log	Main accounting does not note in its manual receipts book log when it receives used manual receipt books.	I		The court is recreating the log for its manual receipt books in Excel and will include on this log the date it receives used manual receipt books back from managers/supervisors.	CFO	May 2011
			Log	The Court does not always note the CMS receipt number on manual receipts per its own policy.	I		We will work with all locations to comply.	CFO	May 2011
			Log	One court location had completed manual receipt books that it had not turned in to main accounting.	I		We will work with all locations to comply.	CFO	May 2011
			Log	Court is using County-issued manual receipt books.	I		Due to limited resources the court will wait until the next time we need to order manual receipt books to get our own. Current supply could last anywhere from one year to 18 months.	CFO	FY 2013-14
			Log	One court location secures non-court funds, a personal party fund, in its safe.	I		The box for the employee's picnic/party fund raised money will be removed from the safe and kept in the employee's locked desk drawer. According to the custodian, the money has always been in her drawer but the box was in the safe empty.	CFO	May 2011
			Log	One court location has a $9.09 overage fund that is not listed on main accounting's list of change and petty cash funds for each court location.	I		Main accounting will check into the origination of these funds and determine a course of action based on our findings.	CFO	May 2011
			Log	Main accounting does not retain voided original receipts and cashier closeout reports from one Court location as required by the FIN Manual.		C	The court has contacted the managers/supervisors at the locations mentioned and corrected the issue.	CFO	May 2011
			Log	The Fiscal Technician who prepares the deposit at the main courthouse location also performs the incompatible functions of processing voids for another Court location as well as verifying the daily closeout for all clerks within the main courthouse location.		C	Another fiscal technician is now preparing the deposits that does not process voids for any Court location. Also, cashier supervisors are now verifying the daily closeout for all clerks, including the counting of the cash.	CFO	May 2011

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FUNCTION		RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
			Log	An overage/shortage form, similar to the one used in the Traffic division, is not used in the Criminal division. As a result, the overage fund did not vouch to the Criminal division's tracking sheet. The overage fund was over 66 cents.	**I**		The staff will be reminded to use the Overage/Shortage form when they are out of balance.	Criminal Supervisor	May 2011
			Log	There is no periodic supervisory review of the overage funds for the Criminal and Traffic divisions in order to vouch the overage funds to supporting documentation such as tracking sheets.	**I**		The court will ensure supervisory review of the overage fund for the Criminal and Traffic division.	CFO	May 2011
6	**Information Systems**								
		6.1		**The Court Needs to Strengthen Its Procedures for Controlling Access to Sensitive Electronic Data Records**					
			6	At the time of our review, the Court did not have a current MOU with DMV.	**I**		After contacting the DMV, the Court learned that the DMV had abolished MOU's for government end users. Instead agencies submit a 60+ page Security Requirement Package. After the DMV reviews and approves the package, in lieu of the MOU that was sent out for signatures, they send an approval letter to the agency, no signatures required. The agency must re-apply every 4 years.	Business Services Manager & Court Manager Of Traffic Division	December 2011
			6	The Court does not require its employees who have access to sensitive DMV data to complete Form INF1128 as required by DMV.		**C**	The Court is adding the Information Security Statement, Form INF 1128 to the new employee orientation packet that new employees are given when hired. Human Resources will make sure employees sign the forms and signed forms will be kept in each employee's personnel file. HR will see to it that the forms are reviewed and signed annually.	HR Manager	March 2011
			6	The Court does not have a formal process to delete DMV user IDs. The County ISD automatically deletes DMV user IDs after 60 days of inactivity.		**C**	The Court will develop a check list of all items given to staff when hired such as keys, employee IDs, parking passes etc and court equipment issued for their jobs such as laptops and cell phones if applicable. This list will also include all court data systems the employee has access to, i.e.. DMV, CJIS, V3, SAP, E-mail. Human Resources will keep the list in the employee's personnel file. When an employee terminates employment HR will work with the employee's manager to make sure everything on the list assigned to that employee is returned and that access to all court systems is inactivated. There will be one person designated for each data system to manage activation/deactivation. The employee's manager will be responsible for notifying this person to deactivate the employee's access.	HR Manager; Court Managers	March 2011
			6	The Court's DMV user ID list contained 65 people who were not employed by the Court at the time of our review.		**C**	See response above.	HR Manager; Court Managers	March 2011

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		6	The Court does not monitor DMV query and transaction activity to detect inappropriate access to DMV data. As a result, the Court was unaware that one Court employee researched herself and could not provide a legitimate business reason for another person that was searched.	I		If there is a complaint of misuse of DMV, the County IT Department can run a report that gives us the following information – who accessed the information, date and time access was made, what transaction code was used, what information they inquired on. The Court will ask the County IT Department to run a quarterly report of all DMV transactions for the purpose of an internal audit.	Criminal, Traffic, and Juvenile Delinquency Manager	January 2011
		6	A DMV hold was not placed for two FTA cases reviewed where a DMV hold should have been placed.	I		We will continue to work, with the County IT Department to make sure this issue is resolved.	Criminal, Traffic, and Juvenile Delinquency Manager	January 2011
	6.2		**Information System User Account Requirements Should Be Strengthened**					
		14	The Court does not have written IT policies and procedures. As a result, it does not have written policies and procedures that address issues concerning the creation, deletion, and modification of user IDs and password management.	I		Agree: While the Court does have some minimal written IT policies and procedures, they do not address the creation, deletion or modification of user ID's and password management. The IT department Manager unexpectedly passed away recently, so the Supervisor will work to create written policies concerning the creation, deletion and modification of user ID's within the next six months. However, it should be noted that the Court has an outdated Microsoft Windows NT 4.0 network domain that has very limited features when it comes to password management. The outdated network platform does not have the capability to log users off for periods of inactivity, it does not allow us to disable accounts after invalid log-in attempts. The platform also does not allow us the capability to force users to change their passwords after a fixed period of time. Furthermore, the platform does not allow us the capability to force syntax and type of character set or password length. The Court's most recent IT Manager did initiate plans to upgrade the Court's network platform to a Microsoft Active Directory platform, with that plan possibly coming to fruition in fiscal year 2011-2012. However, with extremely limited financial resources available to our Court, there is some concern that the migration to an active directory platform may be beyond the resources available to the Court. There have been other issues that have arisen in regards to additional server upgrades that will need to be made that have made this project problematic for a court with limited fiscal resources. The IT department will continue to plan the migration to the newer network platform, however, with current fiscal limitations, no date of completion is available at this time.	Supervising Information Systems (IS) Analyst	If funding permits, FY 2013-14

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			14	The Court's network system, as well as its CJIS/AMOS CMS and ShowMe CMS, do not require users to change the initial password after initial sign-on.	I		Agree: The Court's Programming and Systems Analyst will work to incorporate forcing users to change passwords periodically, force syntax requirements and password lengths. We are not certain that all of these controls can be implemented due to the age of the ShowMe code, or the ability to modify the code accordingly. We will investigate the capabilities of the current system and work on adding these security features with a possible completion period of six months. The outdated Microsoft Windows NT4.0 network platform does not have the capability to require users to change passwords periodically, force syntax requirements and control password lengths.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its ShowMe CMS, do not enforce restrictions on password syntax, such as not using the same character consecutively and requiring the use of more than one type of character set (numbers, letters, symbols, etc.)	I		See response above.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its ShowMe CMS, do not require an appropriate minimum password length.	I		See response above.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its CJIS/AMOS CMS and ShowMe CMS, do not require passwords to be changed periodically.	I		See response above.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its ShowMe CMS, do not disable user accounts after a number of invalid sign-on attempts.	I		See response above.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its ShowMe CMS, do not place time restrictions on user accounts for a specified period of inactivity.	I		Agree: The outdated Microsoft Windows NT 4.0 network domain does not have the capability to allow user accounts to be disabled after a number of invalid sign-on attempts or after a period of inactivity. The ShowMe CMS user accounts can possibly be modified to disable the user after a number of invalid sign-on attempts or after a period of inactivity. The Court's Programming and Systems Analyst will work on adding these security features with a possible completion period of six months.	Supervising IS Analyst	If funding permits, FY 2013-14
			14	The Court's network system, as well as its ShowMe CMS, do not disable user accounts after a period of inactivity.	I		See response above.	Supervising IS Analyst	If funding permits, FY 2013-14
		6.3		**The Court Needs to Improve Its Calculations and Distributions of Court Collections**					

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			15	For the three DUI and Reckless Driving cases reviewed, the 20% State Surcharge was derived from the reduced base fine rather than the original base fine causing the 20% State Surcharge to be understated.	I		We agree with the audit findings and are currently working with the County to make the recommended distribution corrections to address items 1 through 11. In addition, over the next several months we will be reviewing other court collection case types to ensure we are complying with the Uniform Bail and Penalty Schedule. We would like to note that the Court uses the County's case management system (AMOS) for traffic and criminal distributions. AMOS is a 25+ year old case management system that is out dated and inflexible. As a result, making complicated distribution changes is difficult, time consuming and sometimes impossible. If County programmers are unable to make mandated legislative changes to distributions in the system, court and county accounting staff must create Excel spreadsheets to do the more complicated second and sometimes third distributions.	Court Management Analyst	December 2011
			15	The Court's CMS is not configured to calculate the 30% railroad fine distribution pursuant to PC 1463.12.	I		See response above.	Court Management Analyst	December 2011
			15	For one of the two child seat cases reviewed, the Court transposed the education program and loaner program distribution percentages.	I		See response above.	Court Management Analyst	December 2011
			15	For the one unattended child case reviewed, there is no evidence of the 70/15/15 split pursuant to VC 15630, causing the County distribution, and ultimately the 50/50 MOE, to be overstated.	I		See response above.	Court Management Analyst	December 2011
			15	The Court's State/County domestic violence fee distribution is 67%/37% instead of 66.67%/33.33%, thereby understating the State distribution by $1.33 for each domestic violence fee assessed.	I		See response above.	Court Management Analyst	December 2011
			15	For the one Health and Safety case reviewed, the 75%/25% split pursuant to H&S 11502 is not evident.	I		See response above.	Court Management Analyst	December 2011
			15	For the one Fish and Game case reviewed, the $15 Secret Witness penalty pursuant to F&G 12021 was not assessed.	I		See response above.	Court Management Analyst	December 2011
			15	For one of the two red light cases reviewed, the ICNA portion of the State Court Facilities Construction Fund distribution was not reduced by the 30% red light allocation pursuant to PC 1463.11. Also, the two DNA penalty assessments are overstated by $1 each.	I		See response above.	Court Management Analyst	December 2011
			15	For the second red light case reviewed, the Court incorrectly included the 20% State Surcharge in calculating the 30% red light allocation pursuant to VC 42007.3.	I		See response above.	Court Management Analyst	December 2011
			15	For the three traffic violator school cases reviewed, the Court does not include the DNA penalty assessments pursuant to GC 76104.6 and GC 76140.7 in its distribution of the traffic violator school fee assessed pursuant to VC 42007.	I		See response above.	Court Management Analyst	December 2011

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		15	For the one child seat traffic school case reviewed, the Court distributed the base fine and penalty assessments to the code used for traffic school cases. However, child seat traffic school cases are distributed the same as a child seat bail forfeiture case.	I		See response above.	Court Management Analyst	December 2011
		Log	The Court's network system and ShowMe CMS, do not limit the ability to re-use passwords.	I		Network system is old technology and does not have that capability. ShowMe CMS may have capability, Programmer will assess this function.	Information Systems and Programming Analyst / ShowMe	December 2011
		Log	The Court's network system and ShowMe CMS, do not limit the number of concurrent logins.	I		Network system is old technology and does not have that capability. ShowMe CMS may have capability, Programmer will assess this function.	Information Systems and Programming Analyst / ShowMe	December 2011
		Log	The Court does not use power cut-off switches or water and smoke detectors in its computer room.	I		The County is responsible for this building, not the Court. The Court is not aware that these devices are available. We will investigate the possibility of installing these devices. However, existing asbestos in building may limit the ability to install these devices for the court.	Supervising IS Analyst	FY 2013-14
		Log	Emergency lighting is not available in the Court's computer room.	I		The County is responsible for this building, not the Court. The Court is not aware that these devices are available. We will investigate the possibility of installing these devices. However, existing asbestos in building may limit the ability to install these devices for the court.	Supervising IS Analyst	FY 2011-12
		Log	Although most computer equipment is stored off the floor, some servers are on the floor of the computer room, which is located in the basement.	I		Court will move two servers off of the floor and relocate on to cart.	Supervising IS Analyst	May 2011
		Log	The computer room does not have flood alarms installed.	I		The County is responsible for this building, not the Court. The Court is not aware that these devices are available. We will investigate the possibility of installing these devices. However, existing asbestos in building may limit the ability to install these devices for the court.	Supervising IS Analyst	FY 2013-14
		Log	In 4 of 15 cases reviewed, the variance between the actual total bail and the standard total bail was not prorated among the penalty assessments causing the base fine distribution to the county and city, as well as the 20% State Surcharge, to be either understated or overstated.	I		We agree with the findings. We are working with the County to correct these errors.	Count Management Analyst	June 2011
		Log	The Court delayed for at least seven months implementation of the penalty assessment and fee increases pursuant to SB 1407.		C	It was not the court's decision to delay implementation of SB1407. The case management system that must be updated when these increases occur is owned by the County and is 25 years old. As a result, the Court must rely on the County to make any programming changes. Depending on their workload, the County is not always able to make the changes quickly and often has to bring back retired programmers to work on changes due to the obsolete nature of the system.	Count Management Analyst	We are now in compliance with SB 1407.

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7	**Banking and Treasury**								
		7.1		**The Court Needs to Reconcile Its Trust Account Balances**					
			8	The Court acknowledged that it is not current with trust account reconciliations. Specifically, according to the Court, since converting from its ShowMe CMS to CCMS V3 in April 2008, it has not been able to perform reconciliations due to problems the Court accounting unit has experienced with CCMS V3 system reports. For example, according to the Court, the CCMS V3 system report does not always list all deposits for particular cases. So, to determine whether the total stated on the system report is accurate, the Court needs to go through the case history and tally all deposits made. The Court is currently working with the AOC CCMS V3 project team to address this issue, among others it is experiencing with CCMS V3.	**I**		We are working with the AOC CCMS V3 project team and have made great progress. While the reports still have some errors, the majority of the Trust Detail Report errors have been fixed.	Court Management Analyst	January 2011
			8	In the meantime, the Court is working on reconciling its trust accounts through developing a report of its own using information in the ShowMe CMS as well as information in CCMS V3. However, the Court currently has one part-time Court employee working on developing this report. Therefore, the Court expects that it will be well into the 2011 calendar year before it becomes current in its trust account reconciliations.	**I**		We have developed reports that will allow us to reconcile our trust accounts. We continue to have our retired Fiscal Services Supervisor working part time to help bring current our trust reconciliations. Once she is comfortable with the accuracy of the reconciliations using the V3 reports we will begin to redirect staff to assist her in expediting the trust reconciliations.	Court Management Analyst	January 2011
			Log	Our review of the segregation of duties matrix revealed that for the Court's e-file bank account, the same person who controls the check stock also prepares checks.		**C**	The court will have one of our lead accounting technicians control the check stock so the person who prepares the checks will have only controlled access.	CFO	May 2011
			Log	The Court did not report a County bank account to the AOC.	**I**		The Court did not report a County bank account to the AOC because it is not the Court's bank account. The account is a consolidation of funds from all County departments. The Court has a fund balance with the County because the County still processes the Court's payroll and provides county services that the court pays for. All Court/County transactions are recorded monthly in the AOC's financial system. In the future we will report the Court's year-end fund balance in the County's bank account to the AOC.	CFO	June 2011
8	**Court Security**								
		8.1		**The Court Needs to Strengthen Its Processes Regarding Court Security**					
			2	The Court has not submitted its Comprehensive Court Security Plan to the Judicial Council for review and approval since Fiscal Year 2007-2008.	**I**		We agree with the audit findings and are currently taking corrective actions. Below are our responses to the two security audit issues: In conjunction with the San Joaquin County Sheriff, we submitted our updated Security Plan to the Administrative Office of the Court's Office of Emergency Response and Security Division (ERS) in June 2010. The ERS had concerns regarding our plan, and returned it for revision. We intend to resubmit our plan by the end of November 2010.	Court Executive Officer (CEO)	November 2010

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			2	Sheriff does not submit copies of invoices supporting equipment and travel costs billed to the Court.	I		We have contacted the Sheriff and requested supporting documentation for the equipment and travel costs billed in fiscal year 09/10. We expect to have the appropriate documentation by the end of November 2010. Additionally, we have asked the Sheriff to include supporting documentation for new equipment and travel costs billed to the court starting July 1, 2010.	Court Management Analyst	November 2010
			Log	At two locations, the emergency manual has not been updated within the past 12 months and only addresses bomb threats.	I		The Court is currently working with Court Managers responsible for their respective areas to update all manuals. In addition the Court has provided a desktop emergency guide to all staff.	Respective Court Manager	April 2012
			Log	One location only has an Injury and Illness Prevention Program manual.	I		The Court is currently working with Court Managers responsible for their respective areas to update all manuals. In addition the Court has provided a desktop emergency guide to all staff.	Respective Court Manager	April 2012
			Log	At the time of our review, employees at one court location did not have copies of the emergency manual.	I		The Court is currently working with Court Managers responsible for their respective areas to update all manuals. In addition the Court has provided a desktop emergency guide to all staff.	Respective Court Manager	April 2012
			Log	At one location, the DA and Public Defender have access to the court's work area including the cash drawer and case files where juvenile exhibits are kept.	I		This issue is being addressed, and solutions are being developed.	Respective Court Manager	May 2011
			Log	At the time of our review, building evacuation drills had not been conducted within the last 12 months at six locations.	I		Several Court locations have had several real-time evacuations. Court administration will work with Court Managers to facilitate evacuations drills.	Respective Court Manager	January 2012
			Log	At the time of our review, fire suppression and/or fire control systems have not been tested within the last 12 months at one location.	I		This log does not specify which location; however, the Court will ask the AOC's FMU to ensure that systems are tested as required/needed.	AOC Facilities Management Unit & Court's Business Services Manager	August 2011
			Log	At the time of our review, smoke detectors had not been tested within the last 12 months at one location.	I		The Court will work with the AOC's FMU to resolve this issue.	AOC Facilities Management Unit & Court's Business Services Manager	FY 2012-13
			Log	Fire extinguishers are not well marked at two locations.	I		The Court will work with the AOC's FMU to resolve this issue.	AOC Facilities Management Unit & Court's Business Services Manager	January 2012
			Log	One court location does not have a method to quickly alert employees of the need to evacuate the building.	I		The facility in question will be undergoing renovations during FY 11/12. It is anticipated that the AOC 's OCCM will include an alarm that will provide the necessary alerts to evacuate the building.	Respective Court Manager	FY 2011-12
			Log	Three court locations do not have a key nest.	I		The Court will work with managers to determine which sites need key nest.	Business Services Manager	December 2011
			Log	Not all court keys are stamped "Do Not Duplicate" at two locations.	I		Most of the keys were handed down to the Court from the County when the court facilities transfers between Counties and the State took place. From this point on the Court will make every effort to ensure keys are stamped "Do Not Duplicate"	Business Services Manager	May 2011

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9	**Procurement**								
		9.1		**The Court Can Further Improve Its Procurement Practices**					
			11	Out of 29 Cal Card transactions reviewed, the Court could not provide a purchase requisition for 20 transactions, one of which exceeded the $1,500 per transaction limit stated in the FIN Manual. In addition, the purchase requisitions for two other Cal Card transactions were not sign-approved.	**I**		The Court does require the submittal of approved requisitions prior to procurement of goods or services. The Court acknowledges that there have been instances of purchase card transactions, and court ordered services, that which a requisition was not submitted prior to the purchase. Immediate action is being taken to ensure all staff adheres to the TCFPP. This action will be ongoing in the form of reminders and monitoring.	Business Services Manager	July 2011
			11	The Court's current approval matrix does not reflect the Court's policy of following the FIN Manual's suggested approval thresholds for the trial court procurements. As a result, purchase requisitions for five of the 29 Cal Card transactions reviewed were approved by a court manager not listed on the Court's current approval matrix.	**I**		The Court agrees that this is an issue, and will take immediate action to monitor, and remind card holders as well as accounting staff of TCFPP policy requirements.	CFO and Business Services Manager	July 2011
			11	The Court did not have documented evidence that a purchase requisition was prepared and properly approved for all 20 expenditures reviewed.	**I**		The Court does require the submittal of approved requisitions prior to procurement of goods or services. The Court acknowledges that there have been instances of purchase card transactions, and court ordered services, that which a requisition was not submitted prior to the purchase. Immediate action is being taken to ensure all staff adheres to the TCFPP. This action will be ongoing in the form of reminders and monitoring.	Business Services Manager	July 2011
			11	At the time of our review, the Court could not provide documentation supporting the procurement process used for 14 of the 20 expenditures reviewed. Subsequently, the Court asserted that it did not know the procurement process for two procurements, another eight procurements were either competitive or sole source and the document retention period had expired for seven of the eight procurements, and the remaining four procurements utilized State master agreements or were mini purchases that did not require procurement files.	**I**		The Court recognizes the necessity to improve past practices of documenting procurement files, and has made considerable improvement the past several years. The Court continues to improve procurement practices to align practices with the TCFPP and to ensure good stewardship of public funds. With regards to the two of the fourteen (14) procurements singled out by the auditor, the following applies: Two of the unknown procurement methods are related to past practices that have been corrected. One of the two was a result of County procurement practice prior to the Court/County separation; however, the Court has evaluated the procurement and found that during these challenging times, the provider has developed into an effective and reliable source and has worked with the Court to minimize annual cost increases.	Business Services Manager	July 2011
10	**Contracts**								
			Log	Two contracts related to court security contained a contractor termination clause other than for cause.	**I**		Yes, these contracts were developed prior to the Court & County separation and have remained in effect. At present the Court has good relationships with both entities and determined that the other than cause clause would not adversely affect these relationships or cause the Court harm; however, the Business Services Manager will evaluate the clause with the Court's CEO to determine if a change is necessary.	Business Services Manager	August 2011

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			Log	The MOU related to providing space for the Self-Help Center did not contain a contract change clause or a confidentiality clause.	I		This MOU will be reviewed and discussed with the Court's CEO to determine if any changes need to be made.	Business Services Manager	August 2011
			Log	Access to contract, bid, and vendor files is not limited to minimize the potential for misplaced or lost files.	I		Due to facility restraints, the Court has minimal secure filling space for contract, bid and vendor files. The new courthouse scheduled to be completed in 2015 will address this issue. In the interim, the Court will seek avenues to minimize access to these files.	Business Services Manager	May 2011
			Log	The Court acknowledged that its MOU with the County does not include costs of services provided or anticipated service outcomes as required by Government Code §77212(d)(1).	I		This is correct. This issue memo log will be discussed with the Court's CEO to determine any changes the CEO desires.	Business Services Manager	August 2011
11	**Accounts Payable**								
		11.1		**The Court Should Strengthen Its Petty Cash Procedures**					
			7	The Family Law location commingles its $100 petty cash fund with its $250 change fund, does not maintain a log of petty cash expenditures, does not retain original receipts to support petty cash expenditures, and makes the commingled fund accessible to all cashiers when change is needed.		C	The Family Law location has separated its $100 petty cash from the $250 change fund and has been given a locking cash box for the petty cash fund. The main courthouse location has ordered a locking cash box for the petty cash fund. The Family Law location is now retaining receipts to support its disbursements.	CFO	January 2011
			7	The Lodi, Tracy, and main courthouse locations keep their petty cash fund in the same safe as their daily receipts, cash difference fund, and change fund.		C	Each of these other locations have only 1 safe to keep all of these items secured. Rest assured, all items are kept separately in either locked boxes or bags to prevent co-mingling.	CFO	January 2011
			7	The Accounting Unit does not perform a periodic reconciliation of the Court's petty cash funds.	I		The Accounting Unit will perform quarterly reconciliations of the petty cash and change funds at all Court locations.	CFO	September 2011
			7	The Lodi and Tracy locations do not utilize the Petty Cash Receipt form or some other form documenting disbursements from the petty cash fund and containing information specified in the FIN Manual. As a result, a $4 petty cash reimbursement at the Court's Lodi location was for a $3.74 expenditure and the location could not account for the 26 cent difference.	I		The Accounting Unit will be working with all branch locations on using the Petty Cash Receipt form to document disbursements from petty cash and to maintain a log of petty cash disbursements.	CFO	September 2011
			7	One petty cash expenditure at the main courthouse location, $237.75 for stamped envelopes, exceeds the $100 per petty cash transaction threshold and there was no evidence of CEO or designee pre-approval.		C	We will no longer be issuing petty cash for stamped envelopes since the cost exceeds the $100 petty cash threshold.	CFO	January 2011
			7	The petty cash fund at the main courthouse exceeds the required $200 total limit. Specifically, the main courthouse location has a $750 petty cash fund. We reviewed the petty cash expenditures for fiscal year 2009-2010 to determine the average monthly use of petty cash. After taking out the petty cash transactions exceeding the $100 per petty cash transaction threshold, we found that the average monthly petty cash use was about $52. Therefore, the Court should consider reducing its petty cash fund.		C	The main courthouse will reduce the petty cash fund to $200 and eliminate all disbursements exceeding the $100 threshold.	CFO	January 2011

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	11.2		**Court Travel and Business Meal Expense Reimbursement Procedures Need Improvement**					
		10	Three out of eight travel expense claims reviewed were not signed approved and a fourth was not approved by the appropriate-level supervisor. Further, the Court could not demonstrate prior approval for out-of-state travel related to the fourth travel expense claim.		**C**	The court agrees with this audit finding and will implement the following changes: a.) All judges travel claims must have an approval signature from either the Presiding Judge or the Assistant Presiding Judge before payment. b.) Presiding Judge travel claims must have the approval signature from the Assistant Presiding Judge and Assistant Presiding Judge travel claims must have the approval signature from the Presiding Judge before payment. c.) All travel claims of court staff must be approved by their immediate manager or a higher level manager before payment. The Court Executive Officer's travel claims must be approved by either the Presiding Judge or the Assistant presiding Judge. d.) Accounts payable approval staff will make sure the appropriate signatures are on the travel claim forms prior to posting in SAP.	CFO	January 2011
		10	For the two business-related meals reviewed, the Court could not provide completed business-related meal expense forms. Therefore, we could not determine the location or cost-per-person for one of the two meals reviewed. Further, the Court could not provide prior approval for the two business-related meals reviewed.		**C**	The court agrees with this audit finding and will implement the following procedure. The court has created a Business Related Meals Form and will provide it to all managers to complete in the event there is a need to incur this type of expense in the future.	CFO	January 2011
		Log	The Court does not ensure that individuals who operate a vehicle on Court business attend the defensive driver's training class every four years.	**I**		The Court acknowledges this issue log, and will begin a process to ensure drivers are trained every four years.	HR Analyst II	January 2012
		Log	The single transaction limits for 4 of 6 Cal Cards exceed the $1,500 limit stated in the FIN Manual.	**I**		The court will review the transaction limits for Cal Cards and reduce the transaction limits to those recommended by the TCFPP if applicable.	CFO	May 2011
		Log	The Court indicates that it does not complete Form SF-274, Supervisor Review of Motor Vehicle Accident, in the event of a vehicle accident.	**I**		The Court does complete the SF-270, but was not familiar with the SF-274 and will ensure the SF-274 is completed in addition to the SF-270.	Respective - Supervisor and Manager	January 2012
		Log	The Court did not use the most appropriate general ledger account for two of the 30 invoices reviewed.	**I**		The court uses GL 921704 in cost center 392190 to track our summer youth program, regardless of the type of expense because it is a "special event". Because the costs associated with this are only a few hundred dollars, we did not set up a WBS to track. In the future we will do so.	CFO	July 2011
		Log	Nine of 30 invoices reviewed did not demonstrate that the Court performed a three-point match of the invoice to a purchase agreement, such as a purchase order or contract, and to proof of receipt and acceptance of goods or services, such as a packing slip or acknowledgment that acceptable goods or services were received.	**I**		The Court agrees with the issue that we are not applying the 3 point match policy with some of our contract and blanket POs. Accounts Payable will immediately request, prior to payment, acceptance documentation from the person requesting the procurement good or service.	CFO	May 2011
		Log	Accounts payable files for one of 30 invoices reviewed did not contain purchase agreements; therefore, we were unable to determine whether payments were made in accordance with a purchase agreement.	**I**		The Court agrees that one invoice did not contain a purchase agreement. The Court will work to develop a purchase agreement with the City of Stockton for our employee parking. The City has not wanted to do this in the past.	CFO	June 2011
		Log	One court interpreter mileage claim used a P.O. Box address, instead of a business or residence address, which makes it difficult for the Court to verify the claimed mileage.	**I**		The interpreter coordinator will ask that the interpreter put her street address, in addition to her PO Box, on future claims.	CFO	June 2011

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			Log	Two court reporter transcript invoices were not paid according to rates established in Government Code section 69950. As a result, the two invoices were underpaid by at least $1,290.	I		The Court agrees with the underpayment of the court reporter transcript invoices. The court reporters were not aware that the requirement of 5 ASCIIs on death penalty cases had been changed to 6. Because they were unsure they created the 6 cds but only charged the Court for 5.	CFO	June 2011
12	**Fixed Assets Management**								
		12.1		**The Court Could Improve Its Tracking and Reporting of Court Assets**					
			9	The Court acknowledged that it does not have a list of court-owned computer software and may not have been in compliance with all software vendor licensing agreements. However, the Court stated that had entered into a new agreement to bring it into compliance with the licensing agreements.		C	The Court agrees with the audit team's recommendations/assessment. Our responses are as follows: The court has entered into a software licensing agreement as of May 14, 2010. This licensing agreement provides the Court third party assistance and online tools to manage software licensing. These management control tools include methods of periodically comparing installed software against licensing terms.	Information Systems Manager	May 2010
			9	Our review of four expenditures classified as inventory items revealed that not all inventory items purchased were listed on the Court's inventory list. Specifically, one printer/copier was not on the list.	I		The Court, prior to the audit, had been, and will continue working to improve staff' understanding of the importance of fixed asset management. Constant communication with outlying court locations and training is essential to full cooperation. The Court's goal is to maintain compliance with the Trial Court Financial Policies and Procedures and to establish other internal methods to improve cooperation such as training for all trial court staff involved in the acquisition, recording, transfer and disposal of fixed assets.	Business Services Manager	July 2009 and ongoing
			9	Out of the 98 inventory items selected for "floor-to-list" verification, 19 inventory items were not found on the inventory list. Also, 10 of the 19 inventory items did not have an asset ID tag. In addition, the of 79 inventory items listed, the inventory list did not accurately reflect the description for one inventory item. Further, the inventory list did not accurately reflect the location for 11 of the 79 inventory items found on the inventory list.	I		See response above.	Business Services Manager	July 2009 and ongoing
			Log	The Court does not have a process to periodically identify and dispose of obsolete IT equipment, such as identifying broken or obsolete equipment during its annual inventory.	I		The Court has implemented processes to follow the TCFPP for asset disposal. However internally, the process is not always followed by staff creating the perception of no process. The Court continues to work with staff to ensure TCFPP asset disposal processes are always followed.	Business Services Manager	January 2012

Key as of close of fieldwork:
I = Incomplete
C = Complete

FUNCTION		RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
			Log	The Court's inventory list did not accurately reflect the location for one of the 11 fixed assets selected to review.	I		The Court appreciates these comments and does continue to improve upon its current practices. Some items do have generally described locations due to shared equipment; however, we do understand that being more specific greatly assist with inventory. Because the fixed asset inventory requires cooperation of all staff, it is often difficult to maintain a completely accurate inventory of the Court's 4,300+ tagged items.	Business Services Manager	January 2012
			Log	Out of the 67 inventory items selected for "list-to-floor" verification, we could not locate three inventory items. In addition, of the 64 inventory items located, the Court's inventory list did not completely or accurately reflect the identifying information or description for six inventory items. Further, the inventory list did not accurately reflect the location for nine of the 64 inventory items located.	I		The Court appreciates these comments and does continue to improve upon its current practices. Some items do have generally described locations due to shared equipment; however, we do understand that being more specific greatly assist with inventory. Because the fixed asset inventory requires cooperation of all staff, it is often difficult to maintain a completely accurate inventory of the Court's 4,300+ tagged items.	Business Services Manager	January 2012
13	**Audits**			**No issues to report.**					
14	**Records Retention**			**No issues to report.**					
15	**Domestic Violence**								
			Log	The Court assessed the PC 1202.44 Probation Revocation Restitution Fine in 2 of 3 cases reviewed where probation was not granted.		C	This was an error made by staff and was resolved with further training.	Criminal, Traffic, and Juvenile Delinquency Manager	May 2011
			Log	The Court assessed the PC 1203.097(a)(5) Domestic Violence Probation fine in all 3 cases reviewed where probation was not granted.		C	This was an error made by staff and was resolved with further training.	Criminal, Traffic, and Juvenile Delinquency Manager	May 2011
16	**Exhibits**								
		16.1		**Improvements Can Be Made to Strengthen Accountability Over Exhibits**					
			5	The Court does not have a court-wide exhibit handling operations manual.	I		The court will develop a court wide Exhibit Manual to standardize all handling, accepting, tracking, safeguarding, and disposal of exhibits.	Court Records Manager	November 2010
			5	One Court location does not have a process in place to document transfer of exhibits to the exhibit closet.	I		See response above.	Court Records Manager	November 2010
			5	Not all exhibits documented in court records were found at one Court location.	I		See response above.	Court Records Manager	November 2010
			5	The location of exhibits secured in interim locations during trial is not noted in either the CMS or the manual card system at the main courthouse.	I		The court will install and train the appropriate court branch staff in the use of the ACCESS-Exhibit Tracking Database currently used in the Stockton Court Branch as well as a secondary manual tracking system for all exhibits.	Court Records Manager	January 2011
			5	The main courthouse does not always require that all biological evidence be properly sealed per local rule prior to accepting as an exhibit.	I		The court will ensure that all assigned staff will be properly trained on the safe handling of highly sensitive items such as guns, drugs, money and hazardous or biological materials.	Court Records Manager	January 2011
			5	All Court locations do not perform exhibit room or exhibit closet inspections.	I		The court will perform quarterly inspections of all exhibit lockers, storage areas as well as yearly inventory of all exhibits to ensure that exhibits are being properly stored, tracked and disposed. This will be implemented by January 31, 2011.	Court Records Manager	January 2011
			5	Two Court locations do not perform a periodic inventory of their exhibit closet.	I		See response above.	Court Records Manager	January 2011

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	FUNCTION	RPT NO.	ISSUE MEMO	ISSUE	I	C	COURT RESPONSE	RESPONSIBLE EMPLOYEE	ESTIMATED COMPLETION DATE
			5	The Court does not conduct a complete inventory of its exhibits at one location. Consequently, the manual card tracking system at this location did not accurately reflect all of the exhibits on hand for 3 of the 15 criminal cases reviewed.	**I**		See response above.	Court Records Manager	January 2011
			Log	Exhibits at one Court location were not destroyed in a timely manner per government code.	**I**		All branch court locations have been provided an identical exhibit manual that will enable them to properly dispose of exhibits. Each court location will follow through with the destruction process as they can, given our severe budget cuts and lack of staff resources.	Court Managers	January 2012
17	**Bail**			**No issues to report.**					

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San Joaquin Superior Court
3 Year Budget Projection - Status Quo
As of October 1, 2011

Attachment E

	Status Quo		
	As of Oct 1, 2011 FY11-12 Projections	**FY12-13 Projection**	**FY13-14 Projections**
REVENUES:			
812110 TCTF-PROGRAM 45.10-OPERATIONS	(27,920,695)	(23,484,268)	(22,477,617)
812140 TCTF-PROGRAM 45.10-SMALL CLAIMS - SERVICE BY MAIL	(7,586)	(7,586)	(7,586)
812141 TCTF-PROGRAM 45.10-ADMINISTRATIVE CHARGE RETURNED	(1,950)	(1,950)	(1,950)
812142 TCTF-PROGRAM 45.10-ADMINISTRATIVE CHARGE FOR	(1,300)	(1,300)	(1,300)
812144 TCTF-PROGRAM 45.10-CLERK TRANSCRIPTS ON APPEAL	(31,000)	(31,000)	(31,000)
812146 TCTF-PROGRAM 45.10-COPY PREPARATION	(84,439)	(84,439)	(84,439)
812148 TCTF-PROGRAM 45.10-MANUAL SERCH OF RECORDS OR	(5,970)	(5,970)	(5,970)
812149 TCTF-PROGRAM 45.10-REIMBURSEMENT OF OTHER COSTS	(63,123)	(63,123)	(63,123)
812151 TCTF-PROGRAM 10- CUSTODY/VISITATION - MEDIATION	(11,871)	(11,871)	(11,871)
812154 TCTF-PROGRAM 45.10-INFORMATION PACKAGE FOR	(619)	(619)	(619)
812155 TCTF-PROGRAM 45.10-ASSESSMENT FOR	(83,246)	(83,246)	(83,246)
812158 TCTF-PROGRAM 10- CUSTODY/VISITATION - FAMILY	(7,914)	(7,914)	(7,914)
812159 TCTF-10-CIVIL ASSESSMENT	(497,482)	(497,482)	(497,482)
812160 TCTF-10-MICROGRAPHICS	(72,640)	(72,640)	(72,640)
812165 TCTF-PROG 45.10-STEP PARENT ADOPTION INVESTIGATION	(18,400)	(18,400)	(18,400)
TCTF - PGM 10 OPERATIONS	**(28,808,235)**	**(24,371,808)**	**(23,365,157)**
821123 LOCAL FEE 3	(118,154)	(118,154)	(118,154)
821127 LOCAL FEE 7	(6,662)	(6,662)	(6,662)
821130 LOCAL FEE 10	(2,385)	(2,385)	(2,385)
821131 LOCAL FEE 11	(15,400)	(15,400)	(15,400)
821132 LOCAL FEE 12	(555)	(555)	(555)
821190 VC11205m TRAFFIC SCHOOL	(42,000)	(42,000)	(42,000)
821191 VC40508.6 DMV HISTORY/PRIORS	(76,667)	(76,667)	(76,667)
LOCAL FEES REVENUE	**(261,823)**	**(261,823)**	**(261,823)**
821201 ENHANCED COLLECTIONS (CIVIL ASSESSMENT)	(44,060)	(44,060)	(44,060)
821202 ENHANCED COLLECTIONS (OTHER)	(134,973)	(134,973)	(134,973)
ENHANCED COLLECTIONS - REVENUE	**(179,033)**	**(179,033)**	**(179,033)**
822102 NON-FEE REV 2	(1,991)	(1,991)	(1,991)
822120 CRC 3.670f COURT CALL	(45,385)	(45,385)	(45,385)
LOCAL NON-FEES REVENUE	**(47,376)**	**(47,376)**	**(47,376)**
823001 MISCELLANEOUS REVENUE	(3,937)	(3,937)	(3,937)
OTHER - REVENUE	**(3,937)**	**(3,937)**	**(3,937)**
825010 INTEREST INCOME	(34,698)	(34,698)	(34,698)
INTEREST INCOME	**(34,698)**	**(34,698)**	**(34,698)**
TRIAL COURT REVENUE SOURCES	**(29,335,102)**	**(24,898,675)**	**(23,892,024)**
831010 GF-AB2030/AB2695 SERVICE OF PROCESSING	(28,950)	(28,950)	(28,950)
831012 GF-PRISONER HEARING COST	(110,600)	(110,600)	(110,600)
GENERAL FUND - MOU/REIMBURSEMENTS	**(139,550)**	**(139,550)**	**(139,550)**
832010 TCTF MOU REIMBURSEMENTS	(220,080)	(220,080)	(220,080)
832011 TCTF-PGM 45.10-JURY	(347,000)	(347,000)	(347,000)
832012 TCTF-PGM 45.10-CAC	(50,000)	(50,000)	(50,000)
832013 TCTF-PGM 45.10-ELDER ABUSE	(13,918)	(13,918)	(13,918)
PROGRAM 45.10 - MOU/REIMBURSEMENTS	**(630,998)**	**(630,998)**	**(630,998)**
833010 PROGRAM 45.25-JUDGES SALARIES	(138,000)	-	-
PROGRAM 45.25 - REIMBURSEMENTS	**(138,000)**	**-**	**-**
834010 PROGRAM 45.45-COURT INTERPRETER	(1,342,831)	(1,342,831)	(1,342,831)
PROGRAM 45.45 - REIMBURSEMENTS	**(1,342,831)**	**(1,342,831)**	**(1,342,831)**
835010 PROGRAM 45.55-CIVIL COORDINATION	(30,927)	(30,927)	(30,927)
PROGRAM 45.55 - REIMBURSEMENTS	**(30,927)**	**(30,927)**	**(30,927)**
837010 IMPROVEMENT FUND REIMBURSEMENT	(103,804)	(103,804)	(103,804)
IMPROVEMENT FUND - REIMBURSEMENTS	**(103,804)**	**(103,804)**	**(103,804)**
838010 AB1058 GRANTS	(931,252)	(931,252)	(931,252)
838020 OTHER AOC GRANTS	(82,000)	(82,000)	(82,000)
AOC GRANTS - REIMBURSEMENTS	**(1,013,252)**	**(1,013,252)**	**(1,013,252)**
839010 NON-AOC GRANTS	(1,531,747)	(1,531,747)	(1,531,747)
NON-AOC GRANTS - REIMBURSEMENTS	**(1,531,747)**	**(1,531,747)**	**(1,531,747)**
841010 SMALL CLAIMS ADVISORY	(31,668)	(31,668)	(31,668)

San Joaquin Superior Court
3 Year Budget Projection - Status Quo
As of October 1, 2011

Attachment E

	Status Quo		
	As of Oct 1, 2011 FY11-12 Projections	**FY12-13 Projection**	**FY13-14 Projections**
841011 DISPUTE RESOLUTION	(181,657)	(181,657)	(181,657)
841012 GRAND JURY	(201,404)	(201,404)	(201,404)
841015 OTHER COUNTY SERVICES	(163,078)	(163,078)	(163,078)
COUNTY PROGRAM - RESTRICTED FUNDS	**(577,807)**	**(577,807)**	**(577,807)**
861010 CIVIL JURY REIMBURSEMENT	(61,000)	(61,000)	(61,000)
REIMBURSEMENTS - OTHER	**(61,000)**	**(61,000)**	**(61,000)**
TRIAL COURT REIMBURSMENTS	**(5,569,916)**	**(5,431,916)**	**(5,431,916)**
TOTAL REVENUE	**(34,905,018)**	**(30,330,591)**	**(29,323,940)**
EXPENDITURES:			
SALARIES - STAFF	17,323,671	16,731,690	16,731,690
SALARIES - JUDICIAL OFFICERS	593,790	457,665	457,665
TOTAL SALARIES	**17,917,461**	**17,189,355**	**17,189,355**
TAX	1,365,359	1,294,639	1,294,639
HEALTH INSURANCE	3,605,491	3,443,900	3,443,900
RETIREMENT	4,761,318	4,576,319	4,576,319
WORKERS' COMPENSATION	332,331	332,331	332,331
OTHER INSURANCE	124,355	118,083	118,083
SUPERIOR COURT JUDGES BENEFITS	1,875	-	-
OTHER BENEFITS	(17,292)	9,664	9,664
TOTAL BENEFITS	**10,173,436**	**9,774,937**	**9,774,937**
SALARY SAVINGS - BUDGET ONLY			
TOTAL PERSONAL SERVICES	**28,090,897**	**26,964,292**	**26,964,292**
LABORATORY EXPENSE	10,727	10,727	10,727
FEES/PERMITS	239,081	239,081	239,081
DUES AND MEMBERSHIPS	6,315	6,315	6,315
OFFICE EXPENSE	98,856	98,856	98,856
ADVERTISING	500	500	500
MEETINGS, CONFERENCES, EXHIBITS	31,250	31,250	31,250
LIBRARY PURCHASES AND SUBSCRIPTIONS	198,615	198,615	198,615
PHOTOGRAPHY	125	125	125
MINOR_EQUIPMENT - UNDER $5K	48,651	48,651	48,651
EQUIPMENT RENTAL/LEASE	13,707	13,707	13,707
EQUIPMENT MAINTENANCE	51,669	51,669	51,669
EQUIPMENT REPAIRS	24,100	24,100	24,100
GENERAL EXPENSE - SERVICE	19,850	19,850	19,850
GENERAL EXPENSE	**743,446**	**743,446**	**743,446**
PRINTING	171,325	171,325	171,325
PRINTING	**171,325**	**171,325**	**171,325**
TELECOMMUNICATIONS	346,580	346,580	346,580
TELECOMMUNICATIONS	**346,580**	**346,580**	**346,580**
STAMPS, STAMPED ENVELOPES, POSTCARDS	228,640	228,640	228,640
POSTAGE	**228,640**	**228,640**	**228,640**
INSURANCE	11,700	11,700	11,700
INSURANCE	**11,700**	**11,700**	**11,700**
TRAVEL	24,568	24,568	24,568
TRAVEL	**24,568**	**24,568**	**24,568**
TRAINING	7,320	7,320	7,320
TRAINING	**7,320**	**7,320**	**7,320**
SECURITY	759,277	759,277	759,277
SECURITY	**759,277**	**759,277**	**759,277**
RENT/LEASE	270,500	270,500	270,500
JANITORIAL	163,165	163,165	163,165
MAINTENANCE AND SUPPLIES	7,250	7,250	7,250
ALTERATION	1,500	1,500	1,500
OTHER FACILITY COSTS - GOODS	6,725	6,725	6,725
OTHER FACILITY COSTS - SERVICES	2,000	2,000	2,000
FACILITY OPERATIONS	**451,140**	**451,140**	**451,140**

San Joaquin Superior Court
3 Year Budget Projection - Status Quo
As of October 1, 2011

Attachment E

	Status Quo		
	As of Oct 1, 2011 FY11-12 Projections	**FY12-13 Projection**	**FY13-14 Projections**
GENERAL CONSULTANT AND PROFESSIONAL SERVICES	901,337	901,337	901,337
COURT INTERPRETER SERVICES	552,303	552,303	552,303
COURT REPORTER SERVICED	125,000	125,000	125,000
COURT TRANSCRIPTS	465,000	465,000	465,000
COURT APPOINTED COUNSEL CHARGES	67,175	67,175	67,175
INVESTIGATIVE SERVICES	250	250	250
COURT ORDERED PROFESSIONAL SERVICES	692,150	692,150	692,150
MEDIATORS / ARBITRATORS	145,836	145,836	145,836
COLLECTION SERVICES	83,250	83,250	83,250
LEGAL	32,953	32,953	32,953
OTHER CONTRACT SERVICES - ARMORED CAR	21,000	21,000	21,000
CONTRACTED SERVICES	**3,086,254**	**3,086,254**	**3,086,254**
SHERIFF -AB2030/AB2695	28,950	28,950	28,950
COUNTY-PROVIDED SERVICES	1,860,835	1,860,835	1,860,835
CONSULTING AND PROFESSIONAL SERVICES	**1,889,785**	**1,889,785**	**1,889,785**
IT MAINTENANCE	7,300	7,300	7,300
IT COMMERCIAL CONTRACT	109,375	109,375	109,375
IT REPAIRS/SUPPLIES/LICENSE	78,383	78,383	78,383
INFORMATION TECHNOLOGY (IT)	**195,058**	**195,058**	**195,058**
MAJOR EQUIPMENT	35,000	35,000	35,000
MAJOR EQUIPMENT (OVER $5,000)	**35,000**	**35,000**	**35,000**
VEHICLE OPERATIONS	22,775	22,775	22,775
OTHER ITEMS OF EXPENSE	**22,775**	**22,775**	**22,775**
OPERATING EXPENSES AND EQUIPMENT	**7,972,868**	**7,972,868**	**7,972,868**
JURY COSTS	408,000	408,000	408,000
JURY COSTS	**408,000**	**408,000**	**408,000**
GRAND JURY COSTS	164,617	164,617	164,617
OTHER	**164,617**	**164,617**	**164,617**
SPECIAL ITEMS OF EXPENSE	**572,617**	**572,617**	**572,617**
EXPENSES	**36,636,382**	**35,509,777**	**35,509,777**
Total	1,731,364	5,179,186	6,185,837
BEGINNING FUND BALANCE	**1,233,200**	**(498,164)**	**(5,677,350)**
CHANGE TO FUND BALANCE	(1,731,364)	(5,179,186)	(6,185,837)
ENDING FUND BALANCE	**(498,164)**	**(5,677,350)**	**(11,863,187)**

Note: In FY 11-12 Court laid off 42 employees effective 09-30-11. FY11-12, FY12-13 and FY13-14 projections assume status quo, no further layoffs

San Joaquin Superior Court
3 Year Budget Projection - Reduction Mitigation
As of October 1, 2011

Attachment E

	With Reduction Mitigation		
	As of Oct 1, 2011 FY11-12 Projections	FY12-13 Projection	FY13-14 Projections
REVENUES:			
812110 TCTF-PROGRAM 45.10-OPERATIONS	(27,920,695)	(23,484,268)	(22,477,617)
812140 TCTF-PROGRAM 45.10-SMALL CLAIMS - SERVICE BY MAIL	(7,586)	(7,586)	(7,586)
812141 TCTF-PROGRAM 45.10-ADMINISTRATIVE CHARGE RETURNED	(1,950)	(1,950)	(1,950)
812142 TCTF-PROGRAM 45.10-ADMINISTRATIVE CHARGE FOR	(1,300)	(1,300)	(1,300)
812144 TCTF-PROGRAM 45.10-CLERK TRANSCRIPTS ON APPEAL	(31,000)	(31,000)	(31,000)
812146 TCTF-PROGRAM 45.10-COPY PREPARATION	(84,439)	(84,439)	(84,439)
812148 TCTF-PROGRAM 45.10-MANUAL SERCH OF RECORDS OR	(5,970)	(5,970)	(5,970)
812149 TCTF-PROGRAM 45.10-REIMBURSEMENT OF OTHER COSTS	(63,123)	(63,123)	(63,123)
812151 TCTF-PROGRAM 10- CUSTODY/VISITATION - MEDIATION	(11,871)	(11,871)	(11,871)
812154 TCTF-PROGRAM 45.10-INFORMATION PACKAGE FOR	(619)	(619)	(619)
812155 TCTF-PROGRAM 45.10-ASSESSMENT FOR	(83,246)	(83,246)	(83,246)
812158 TCTF-PROGRAM 10- CUSTODY/VISITATION - FAMILY	(7,914)	(7,914)	(7,914)
812159 TCTF-10-CIVIL ASSESSMENT	(497,482)	(497,482)	(497,482)
812160 TCTF-10-MICROGRAPHICS	(72,640)	(72,640)	(72,640)
812165 TCTF-PROG 45.10-STEP PARENT ADOPTION INVESTIGATION	(18,400)	(18,400)	(18,400)
TCTF - PGM 10 OPERATIONS	**(28,808,235)**	**(24,371,808)**	**(23,365,157)**
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821191 VC40508.6 DMV HISTORY/PRIORS	(76,667)	(76,667)	(76,667)
LOCAL FEES REVENUE	**(261,823)**	**(261,823)**	**(261,823)**
821201 ENHANCED COLLECTIONS (CIVIL ASSESSMENT)	(44,060)	(44,060)	(44,060)
821202 ENHANCED COLLECTIONS (OTHER)	(134,973)	(134,973)	(134,973)
ENHANCED COLLECTIONS - REVENUE	**(179,033)**	**(179,033)**	**(179,033)**
822102 NON-FEE REV 2	(1,991)	(1,991)	(1,991)
822120 CRC 3.670f COURT CALL	(45,385)	(45,385)	(45,385)
LOCAL NON-FEES REVENUE	**(47,376)**	**(47,376)**	**(47,376)**
823001 MISCELLANEOUS REVENUE	(3,937)	(3,937)	(3,937)
OTHER - REVENUE	**(3,937)**	**(3,937)**	**(3,937)**
825010 INTEREST INCOME	(34,698)	(34,698)	(34,698)
INTEREST INCOME	**(34,698)**	**(34,698)**	**(34,698)**
TRIAL COURT REVENUE SOURCES	**(29,335,102)**	**(24,898,675)**	**(23,892,024)**
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831012 GF-PRISONER HEARING COST	(110,600)	(110,600)	(110,600)
GENERAL FUND - MOU/REIMBURSEMENTS	**(139,550)**	**(139,550)**	**(139,550)**
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832012 TCTF-PGM 45.10-CAC	(50,000)	(50,000)	(50,000)
832013 TCTF-PGM 45.10-ELDER ABUSE	(13,918)	(13,918)	(13,918)
PROGRAM 45.10 - MOU/REIMBURSEMENTS	**(630,998)**	**(630,998)**	**(630,998)**
833010 PROGRAM 45.25-JUDGES SALARIES	(138,000)	-	-
PROGRAM 45.25 - REIMBURSEMENTS	**(138,000)**	**-**	**-**
834010 PROGRAM 45.45-COURT INTERPRETER	(1,342,831)	(1,342,831)	(1,342,831)
PROGRAM 45.45 - REIMBURSEMENTS	**(1,342,831)**	**(1,342,831)**	**(1,342,831)**
835010 PROGRAM 45.55-CIVIL COORDINATION	(30,927)	(30,927)	(30,927)
PROGRAM 45.55 - REIMBURSEMENTS	**(30,927)**	**(30,927)**	**(30,927)**
837010 IMPROVEMENT FUND REIMBURSEMENT	(103,804)	(103,804)	(103,804)
IMPROVEMENT FUND - REIMBURSEMENTS	**(103,804)**	**(103,804)**	**(103,804)**
838010 AB1058 GRANTS	(931,252)	(931,252)	(931,252)
838020 OTHER AOC GRANTS	(82,000)	(82,000)	(82,000)
AOC GRANTS - REIMBURSEMENTS	**(1,013,252)**	**(1,013,252)**	**(1,013,252)**
839010 NON-AOC GRANTS	(1,531,747)	(1,531,747)	(1,531,747)
NON-AOC GRANTS - REIMBURSEMENTS	**(1,531,747)**	**(1,531,747)**	**(1,531,747)**
841010 SMALL CLAIMS ADVISORY	(31,668)	(31,668)	(31,668)
841011 DISPUTE RESOLUTION	(181,657)	(181,657)	(181,657)
841012 GRAND JURY	(201,404)	(201,404)	(201,404)
841015 OTHER COUNTY SERVICES	(163,078)	(163,078)	(163,078)
COUNTY PROGRAM - RESTRICTED FUNDS	**(577,807)**	**(577,807)**	**(577,807)**

San Joaquin Superior Court
3 Year Budget Projection - Reduction Mitigation
As of October 1, 2011

Attachment E

	With Reduction Mitigation		
	As of Oct 1, 2011 FY11-12 Projections	**FY12-13 Projection**	**FY13-14 Projections**
861010 CIVIL JURY REIMBURSEMENT	(61,000)	(61,000)	(61,000)
REIMBURSEMENTS - OTHER	**(61,000)**	**(61,000)**	**(61,000)**
TRIAL COURT REIMBURSMENTS	**(5,569,916)**	**(5,431,916)**	**(5,431,916)**
TOTAL REVENUE	**(34,905,018)**	**(30,330,591)**	**(29,323,940)**
EXPENDITURES:			
SALARIES - STAFF	16,996,883	13,564,472	13,010,239
SALARIES - JUDICIAL OFFICERS	593,790	457,665	457,665
TOTAL SALARIES	**17,590,673**	**14,022,137**	**13,467,904**
TAX	1,340,360	1,053,187	1,010,788
HEALTH INSURANCE	3,521,873	2,758,254	2,630,061
RETIREMENT	4,673,346	3,693,292	3,537,387
WORKERS' COMPENSATION	332,331	332,331	332,331
OTHER INSURANCE	122,086	104,661	102,762
SUPERIOR COURT JUDGES BENEFITS	1,875	-	-
OTHER BENEFITS	(17,560)	7,116	6,727
TOTAL BENEFITS	**9,974,312**	**7,948,841**	**7,620,056**
SALARY SAVINGS - BUDGET ONLY			
TOTAL PERSONAL SERVICES	**27,564,985**	**21,970,978**	**21,087,961**
LABORATORY EXPENSE	10,727	10,727	10,727
FEES/PERMITS	233,831	193,181	193,181
DUES AND MEMBERSHIPS	6,315	6,315	6,315
OFFICE EXPENSE	98,856	98,856	98,856
ADVERTISING	500	500	500
MEETINGS, CONFERENCES, EXHIBITS	31,250	31,250	31,250
LIBRARY PURCHASES AND SUBSCRIPTIONS	198,615	198,615	198,615
PHOTOGRAPHY	125	125	125
MINOR_EQUIPMENT - UNDER $5K	48,651	48,651	48,651
EQUIPMENT RENTAL/LEASE	13,707	10,688	10,688
EQUIPMENT MAINTENANCE	51,669	46,938	46,938
EQUIPMENT REPAIRS	24,100	24,100	24,100
GENERAL EXPENSE - SERVICE	19,850	19,850	19,850
GENERAL EXPENSE	**738,196**	**689,796**	**689,796**
PRINTING	171,325	171,325	171,325
PRINTING	**171,325**	**171,325**	**171,325**
TELECOMMUNICATIONS	339,708	289,340	289,340
TELECOMMUNICATIONS	**339,708**	**289,340**	**289,340**
STAMPS, STAMPED ENVELOPES, POSTCARDS	228,640	228,640	228,640
POSTAGE	**228,640**	**228,640**	**228,640**
INSURANCE	11,700	11,700	11,700
INSURANCE	**11,700**	**11,700**	**11,700**
TRAVEL	24,568	24,568	24,568
TRAVEL	**24,568**	**24,568**	**24,568**
TRAINING	7,320	7,320	7,320
TRAINING	**7,320**	**7,320**	**7,320**
SECURITY	759,277	663,776	663,776
SECURITY	**759,277**	**663,776**	**663,776**
RENT/LEASE	270,500	270,500	270,500
JANITORIAL	163,165	135,604	135,604
MAINTENANCE AND SUPPLIES	7,250	7,250	7,250
ALTERATION	1,500	1,500	1,500
OTHER FACILITY COSTS - GOODS	6,725	6,725	6,725
OTHER FACILITY COSTS - SERVICES	2,000	2,000	2,000
FACILITY OPERATIONS	**451,140**	**423,579**	**423,579**
GENERAL CONSULTANT AND PROFESSIONAL SERVICES	901,337	901,337	901,337
COURT INTERPRETER SERVICES	552,303	552,303	552,303
COURT REPORTER SERVICED	125,000	125,000	125,000
COURT TRANSCRIPTS	465,000	465,000	465,000
COURT APPOINTED COUNSEL CHARGES	67,175	67,175	67,175
INVESTIGATIVE SERVICES	250	250	250
COURT ORDERED PROFESSIONAL SERVICES	692,150	692,150	692,150
MEDIATORS / ARBITRATORS	145,836	145,836	145,836

San Joaquin Superior Court
3 Year Budget Projection - Reduction Mitigation
As of October 1, 2011

Attachment E

	With Reduction Mitigation		
	As of Oct 1, 2011 FY11-12 Projections	**FY12-13 Projection**	**FY13-14 Projections**
COLLECTION SERVICES	83,250	83,250	83,250
LEGAL	32,953	32,953	32,953
OTHER CONTRACT SERVICES - ARMORED CAR	21,000	21,000	21,000
CONTRACTED SERVICES	**3,086,254**	**3,086,254**	**3,086,254**
SHERIFF -AB2030/AB2695	28,950	28,950	28,950
COUNTY-PROVIDED SERVICES	1,860,835	1,860,835	1,860,835
CONSULTING AND PROFESSIONAL SERVICES	**1,889,785**	**1,889,785**	**1,889,785**
IT MAINTENANCE	7,300	7,300	7,300
IT COMMERCIAL CONTRACT	109,375	109,375	109,375
IT REPAIRS/SUPPLIES/LICENSE	78,383	78,383	78,383
INFORMATION TECHNOLOGY (IT)	**195,058**	**195,058**	**195,058**
MAJOR EQUIPMENT	35,000	35,000	35,000
MAJOR EQUIPMENT (OVER $5,000)	**35,000**	**35,000**	**35,000**
VEHICLE OPERATIONS	22,775	22,775	22,775
OTHER ITEMS OF EXPENSE	**22,775**	**22,775**	**22,775**
OPERATING EXPENSES AND EQUIPMENT	**7,960,746**	**7,738,916**	**7,738,916**
JURY COSTS	408,000	408,000	408,000
JURY COSTS	**408,000**	**408,000**	**408,000**
GRAND JURY COSTS	164,617	164,617	164,617
OTHER	**164,617**	**164,617**	**164,617**
SPECIAL ITEMS OF EXPENSE	**572,617**	**572,617**	**572,617**
EXPENSES	**36,098,348**	**30,282,511**	**29,399,494**
Total	1,193,330	(48,080)	75,554
BEGINNING FUND BALANCE	**1,233,200**	**39,870**	**87,950**
CHANGE TO FUND BALANCE	(1,193,330)	48,080	(75,554)
ENDING FUND BALANCE	**39,870**	**87,950**	**12,396**

FY11-12: The Court has already laid off 42 staff effective 09-30-11, closed our Tracy Branch entirely and closed 1 of our two court facilities in Lodi. If the Court does not receive deficiency funding 17 additional staff would need to be laid off to mitigate the projected FY11-12 deficit of $498,164. This will eliminate our Small Claims staff of 5 and reduce our Civil staff by another 12 people. Courtwide staffing levels will be reduced to 246 FTEs which represents a 30% vacancy rate from our 349 original authorized positi

FY12-13: 42 additional staff would need to be laid off as of 06-30-12 in order to mitigate the additional $4.4 million reduction scheduled for FY12-13. This would eliminate Civil and Probate divisions entirely and reduce Traffic staff to half of what we currently have following the 09-30-11 layoffs. These layoffs will also result in the closing of our other Lodi branch facililty. Civil courtrooms at the main courthouse will be quiet so we will move our 3 Famliy Law courtrooms and associated staff from our 540 E. Main Street location to the main courthouse. These staff currently occupy the 1st floor of the building which is leased by the AOC and funded with SB56 money. Our Records Management staff would remain in the basement of the 540 E. Main Street facility where our records are stored. The Court will save on perimeter screening costs and other facility related expenses such as janitorial and equipment maintenance. These additional layoffs will reduce courtwide FTEs to 204 which represents a 42% vacancy rate from our 349 original authorized positions.

FY 13-14: 10 additional staff would need to be laid off as of 06-30-13 in order to mitigate additional $1 million reduction scheduled for FY13-14. These reductions in staff would further impact the Traffic division and the remaining divisions of Family Law and Criminal. This will reduce courtwide FTEs to 194 which represents a 44% vacancy rate from