

AMENDMENT TO THE CALIFORNIA RULES OF COURT
Adopted by the Judicial Council on July 28, 2017, effective July 28, 2017

1 Rule 10.63. Advisory Committee on Audits and Financial Accountability ~~and~~
2 ~~Efficiency~~ for the Judicial Branch 2
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1 **Rule 10.63. Advisory Committee on Audits and Financial Accountability and**
2 **Efficiency for the Judicial Branch**

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4 **(a) Purpose of the rule**

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6 One of the most important functions of government is to ensure that public funds
7 are properly spent and accounted for. This committee is charged with advising and
8 assisting the council in performing its responsibilities to ensure that the fiscal
9 affairs of the judicial branch are managed efficiently, effectively, and transparently,
10 and in performing its specific responsibilities relating to audits and contracting, as
11 required by law and good public policy.

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13 *(Subd (a) adopted effective July 28, 2017.)*

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15 **~~(a)~~(b) Area of focus**

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17 The committee makes recommendations to the council on audits and practices that
18 will promote financial accountability and efficiency in the judicial branch.

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20 *(Subd (b) amended and relettered effective July 28, 2017; adopted as subd (a).)*

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22 **~~(b)~~(c) Additional duties**

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24 In addition to the duties specified in rule 10.34, the committee must:

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26 ~~(1) Make recommendations annually to the council concerning any budget~~
27 ~~change proposals for funding of the Administrative Office of the Courts~~
28 ~~(AOC) and any proposed changes to the annual compensation plan for the~~
29 ~~AOC staff;~~

30
31 ~~(2)~~(1) Review and approve a yearly audit plan for the judicial branch that will
32 ensure the adequacy and effectiveness of the judicial branch's accounting,
33 financial reporting, compliance, and internal control system; review all audit
34 reports of the judicial branch; recommend council acceptance of action on
35 audit reports that identify substantial issues; approve all other audit reports
36 and have them posted publicly; and, where appropriate, make
37 recommendations to the council on individual or systemic issues identified in
38 audit reports;

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40 (2) Advise and assist the council in performing its responsibilities and exercising
41 its authority under Government Code sections 77009 and 77206 and under
42 part 2.5 of the Public Contract Code (commencing with section 19201; the
43 California Judicial Branch Contract Law);

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2 ~~(3) Report to the council on AOC contracts that meet established criteria to~~
3 ~~ensure that he contracts are in support of judicial branch policy; and~~
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5 ~~(4)(3) Review and recommend to the council proposed updates and revisions to the~~
6 ~~Judicial Branch Contracting Manual; and~~
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8 (4) Make recommendations concerning any proposed changes to the annual
9 compensation plan for Judicial Council staff.
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11 *(Subd (c) amended and relettered effective July 28, 2017; adopted as subd (b).)*
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13 ~~(e)~~(d) Membership

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15 The committee may include members with experience in public or judicial branch
16 finance and must include at least one members in from each of the following
17 categories:
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19 (1) Justices of the Courts of Appeal ~~Appellate court justices;~~
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21 (2) Judges of the superior courts ~~judges; and~~
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23 (3) Clerk/executive officers of the Courts of Appeal; and
24

25 ~~(3)(4)~~ Court executive officers of the superior courts.
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27 The committee membership must also include at least one nonvoting advisory
28 member who has significant governmental auditing experience.
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30 The California Judges Association will recommend three nominees for a superior
31 court judge position and submit its recommendations to the Executive and Planning
32 Committee of the Judicial Council.
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34 *(Subd (d) amended and relettered effective July 28, 2017; adopted as subd (c).)*
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36 *Rule 10.63 amended effective July 28, 2017; adopted effective February 20, 2014.*
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38 **Advisory Committee Comment**

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40 The purpose of the Advisory Committee on Audits and Financial Accountability and Efficiency
41 for the Judicial Branch is to advise and assist the council in performing its constitutional and
42 statutory responsibilities relating to the fiscal affairs of the judicial branch. To improve the
43 administration of the courts, article VI, section 6 of the California Constitution requires the

1 council to survey judicial business and make recommendations. To ensure that the fiscal affairs of
2 the courts are managed efficiently, effectively, and responsibly, Government Code section 77206
3 authorizes the council to regulate the fiscal management of the courts and provides for audits of
4 the courts and Judicial Council staff by the council, its representatives, and other entities.
5 Government Code section 77009(h) provides that the “Judicial Council or its representatives may
6 perform audits, reviews, and investigations of superior court operations and records wherever
7 they may be located.” The Public Contract Code provides that the council shall publish a *Judicial*
8 *Branch Contracting Manual* (Pub. Contract Code, § 19206). It also provides that the California
9 State Auditor, subject to appropriations, shall biennially identify and audit five or more judicial
10 branch entities to assess the implementation of the California Judicial Branch Contract Law
11 (JBCL) (Pub. Contract Code, § 19210(a), (b)) and shall biennially conduct audits of Judicial
12 Council staff to assess the implementation of, and compliance with, the JBCL (Pub. Contract
13 Code, § 19210(c)).~~promote transparency, accountability, efficiency, and understanding of the~~
14 ~~AOC and the judicial branch. The advisory committee fosters the best use of the work,~~
15 ~~information, and recommendations provided by the AOC, and it promotes increased~~
16 ~~understanding of the AOC’s mission, responsibilities, accomplishments, and challenges.~~

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