

Advisory Committee on Audits and Financial Accountability for the Judicial Branch
Annual Agenda¹—2025

Approved by Executive and Planning Committee: December 5th, 2024.

I. COMMITTEE INFORMATION

Chair:	Hon. Ann C. Moorman
Lead Staff:	Ms. Dawn Tomita, Manager, Audit Services; Mr. Joe Meyer, Supervisor, Audit Services
<p>Committee’s Charge/Membership:</p> <p>Rule 10.63 of the California Rules of Court states the charge of the Advisory Committee on Audits and Financial Accountability for the Judicial Branch (audit committee), which is charged with advising and assisting the council in performing its responsibilities to ensure that the fiscal affairs of the judicial branch are managed efficiently, effectively, and transparently, and in performing its specific responsibilities relating to audits and contracting, as required by law and good public policy. Rule 10.63(c) sets forth additional duties of the committee, such as to:</p> <ul style="list-style-type: none">• Review and approve of a yearly audit plan for the judicial branch,• Advise and assist the council in performing its responsibilities under the Judicial Branch Contract Law,• Review and recommend to the council proposed updates and revisions to the Judicial Branch Contracting Manual, and• Make recommendations concerning any proposed changes to the annual compensation plan for Judicial Council staff. <p>Rule 10.63(d) sets forth the membership position of the committee. The audit committee currently has seven members and one non-voting advisor. The current committee roster is available on the committee’s web page.</p>	
<p>Subgroups of the Advisory Committee²:</p> <p>1. There are no subcommittees or working groups operating under this advisory committee.</p>	

¹ The annual agenda outlines the work a committee will focus on in the coming year or cycle and identifies areas of collaboration with other advisory bodies and the Judicial Council staff resources.

²For the definition of “subcommittee” see Cal. Rules of Court, rule 10.30(c); “working group” see rule 10.70, “workstream,” see rule 10.53(c); and “education curriculum committee,” see rule 10.50(c)(6).

Meetings Planned for 2025³ (Advisory body and all subgroups listed above.)

As needed based on the availability of audit reports, generally quarterly.

Check here if in-person meeting is approved by the internal committee oversight chair.

³ Refer to section IV. 2. of the [Operating Standards for Judicial Council Advisory Bodies](#) for governance on in-person meetings.

Note: Because of the current budget and staffing constraints, advisory body chairs and staff must first consider meeting remotely. The chair of the Executive and Planning Committee is suspending advisory body in-person meetings for the 2024–2025 annual agenda cycle. If an in-person meeting is needed, the responsible Judicial Council office head must seek final approval from the advisory body’s internal oversight committee chair. Please see the prioritization memo dated July 1, 2024, for additional details.

II. COMMITTEE PROJECTS

#	New or One-Time Projects ⁴ [Group projects by priority number.]	
1.	<p>Project Title: Short and descriptive. Indicate whether “New” or “One-Time” project. A one-time project is a project that has a defined timeline and only needs to be completed once.</p>	<p>Priority X⁵</p>
<p>Strategic Plan Goal⁶</p> <p>Project Summary: A key objective is a strategic aim, purpose, or “end of action” to be achieved for the coming year. Provide a brief summary of the project and its key objective(s). Be specific about what the project entails and what it is expected to accomplish. If the proposal is for rules or forms, describe the problem to be addressed, or what the new law is and why it requires new/revised forms and/or new or amended rules of court. Origin of project may also be included [for example, is it required by statute or Judicial Council direction, did it result from a suggestion from a court, judge, or attorney; etc.].</p> <p>Status/Timeline: Include status and projected completion date.</p> <p>Fiscal Impact/Staff Resources: Include fiscal impact to trial courts or JCC (e.g., new IT contract or additional staffing); also include committee staff and all JCC office staff collaboration and contracted consultants/contractors, involved with the project (e.g., CJER, Information Technology, and Budget Services staff, NCSC consultant).</p> <p><input type="checkbox"/> This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</p> <p>Internal/External Stakeholders: Include any specific internal stakeholders (i.e., trial courts), external stakeholders (i.e., Legislature), and justice partners (i.e., NCSC, DCSS).</p> <p>AC Collaboration: Note any committee, task force, or subcommittee/working group involvement.</p>		

⁴ All proposed projects for the year must be included on the Annual Agenda. If a project implements policy or is a program, identify it as *implementation* or a *program* in the project description and attach the Judicial Council authorization/assignment or prior approved Annual Agenda to this Annual Agenda.

⁵ For non-rules and forms projects, select priority level 1 (must be done) or 2 (should be done). For rules and forms proposals, select one of the following priority levels: 1(a) Urgently needed to conform to or accurately reflect the law; 1(b) Council has directed the committee to consider new or amended rules and forms; 1(c) Change is urgently needed to remedy a problem that is causing significant cost or inconvenience to the courts or the public; or 1(d) Proposal is otherwise urgent and necessary, such as a proposal that would mitigate exposure to immediate or severe financial or legal risk. *For each priority level 1 proposal, the advisory body must provide a specific reason why it should be done this year and how it fits within the identified category.* 2(a) Useful, but not necessary, to implement changes in law; 2(b) Responsive to identified concerns or problems; or 2(c) Helpful in otherwise advancing Judicial Council goals and objectives. *If an advisory committee is interested in pursuing any Priority Level 2 proposals, please include justification as to why the proposal should be approved at this time.*

⁶ Indicate which goal number of The Strategic Plan for California’s Judicial Branch the project most closely aligns.

#	New or One-Time Projects [Group projects by priority number.]	
2.	<p>Project Title: Short and descriptive. Indicate whether “New” or “One-Time” project. A one-time project is a project that has a defined timeline and only needs to be completed once.</p>	<p>Priority X</p>
<p>Strategic Plan Goal</p> <p>Project Summary: A key objective is a strategic aim, purpose, or “end of action” to be achieved for the coming year. Provide a brief summary of the project and its key objective(s). Be specific about what the project entails and what it is expected to accomplish. If the proposal is for rules or forms, describe the problem to be addressed, or what the new law is and why it requires new/revised forms and/or new or amended rules of court. Origin of project may also be included [for example, is it required by statute or Judicial Council direction, did it result from a suggestion from a court, judge, or attorney; etc.].</p> <p>Status/Timeline: Include status and projected completion date.</p> <p>Fiscal Impact/Staff Resources: Include fiscal impact to trial courts or JCC (e.g., new IT contract or additional staffing); also include committee staff and all JCC office staff collaboration, consultants, contractors, involved with the project (e.g., CJER, Information Technology, Budget Services staff, NCSC consultant).</p> <p><input type="checkbox"/> This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</p> <p>Internal/External Stakeholders: Include any specific internal stakeholders (i.e., trial courts), external stakeholders (i.e., Legislature), and justice partners (i.e., NCSC, DCSS).</p> <p>AC Collaboration: Note any committee, task force, or subcommittee/working group involvement.</p>		

#	Ongoing Projects and Activities	
1.	Project Title: Review Audit Reports and Recommend Policy Changes, As Appropriate	Priority 1
	Strategic Plan Goal II	
<p>Project Summary: The audit committee reviews audit reports issued by external entities (i.e., the State Controller’s Office and State Auditor’s Office) and periodically issues public audit advisories or internal memoranda to highlight systemic and important issues for trial court management. Some of the audit reports presented to the audit committee are required by law. Section 77206(h) of the Government Code requires the State Controller’s Office (SCO) to audit the revenues, expenditures, and fund balances of each trial court on a cyclical basis. The annual budget act appropriates \$540,000 for these audits each year. Similarly, section 19210 of the Public Contract Code requires the California State Auditor’s Office (CSA) to audit the procurement practices of at least five trial courts and the Judicial Council on an alternating biennial schedule. The annual budget act appropriates \$325,000 to reimburse CSA each year. Audit reports issued by both the SCO and the CSA are discussed by the committee in public session for transparency.</p> <p>Section 77206(g) of the Government Code authorizes the Judicial Council to inspect, review, and perform comprehensive oversight and analysis of court financial records wherever they may be located. State law also authorizes council staff to investigate allegations of financial impropriety or mismanagement. The Judicial Council’s audit staff often review court compliance with key financial, operational, and procurement-related policies in high-risk areas, such as: cash handling procedures, the reporting of case filings data to the Judicial Branch Statistical Information System (JBSIS); and vendor payment practices. Trial court management may address the audit committee in closed session to share their perspectives on any draft audit findings. To promote transparency, the final audit reports (along with those from the SCO and CSA) are posted publicly on the judicial branch’s website following the audit committee’s approval.</p> <p>Status/Timeline: Ongoing</p> <p>Fiscal Impact/Staff Resources: There are no direct fiscal impacts. However, the periodic recommendations made by the audit committee may result in fiscal impacts that must be evaluated by those committees designated with oversight responsibilities in the given policy area (e.g., Trial Court Budget Advisory Committee, Court Executives Advisory Committee, etc.).</p> <p><input type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p>Internal/External Stakeholders: The courts we audit are external stakeholders, particularly court executive officers and financial staff.</p> <p>AC Collaboration: No direct collaboration with other advisory committees or working groups. Limited collaboration with external audit agencies (such as the State Auditor’s Office and State Controller’s Office), who periodically audit judicial branch entities.</p>		

#	Ongoing Projects and Activities	
2.	Project Title: Recommend Updates to the Judicial Branch Contracting Manual	Priority 2
<p data-bbox="191 313 1917 526">Project Summary: The Judicial Branch Contract Law (Pub. Contract Code, §§ 19201–19210) requires the Judicial Council to adopt a contracting manual that is consistent with the Public Contract Code and substantially similar to the State Contracting Manual and State Administrative Manual. The manual contains procurement and contracting policies and procedures that must be followed by all judicial branch entities. To the extent that there are legislative amendments to the Public Contract Code that are applicable to judicial branch entities, the Judicial Council must update the Judicial Branch Contracting Manual so that the manual remains consistent with the Public Contract Code.</p> <p data-bbox="191 570 1898 638">Status/Timeline: Ongoing, (Generally, the audit committee holds a special meeting in July to discuss and approve suggested revisions before forwarding the changes to the council for final approval and adoption).</p> <p data-bbox="191 678 1911 784">Fiscal Impact/Staff Resources: Staff from the Judicial Council’s Legal Services office monitor changes to state procurement laws and developing proposed changes for the audit committee’s consideration at its July meeting. Legal Services absorbs the cost of this work within its existing budget.</p> <p data-bbox="180 833 1902 901"><input type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p data-bbox="176 938 1875 1006">Internal/External Stakeholders: Attorneys within Legal Services are critical to ensuring appropriate updates are made to the Judicial Branch Contracting Manual in a timely manner.</p> <p data-bbox="191 1066 1932 1211">AC Collaboration: Attorneys within Legal Services periodically communicate with a group of court procurement officials, known as the Judicial Branch Contracting Manual Working Group. This group was originally established to help create the original version of the contracting manual; however, this working group is not formally established under the audit committee and is not an official working group created by any other advisory committee.</p>		

#	Ongoing Projects and Activities	
3	Project Title: Issue Audit Advisories, as Necessary, to Proactively Address Areas of Risk	Priority 2 Strategic Plan Goal II
<p>Project Summary: Since the creation of the audit committee in October 2017, audit staff and the committee have issued audit advisories on topics such as: cash handling procedures, grant administration, court procurement practices, and data quality standards for court reporting to the Judicial Branch Statistical Information System (JBSIS). As the audit committee discusses audit findings and sees systemic and important issues that require action, it may direct committee staff to draft audit advisories that explain to the courts the given problem, risks, and suggested recommendations for corrective action. Doing so provides each court with an opportunity to review their own practices and make changes—prior to an audit—to improve judicial administration.</p> <p>Status/Timeline: Ongoing.</p> <p>Fiscal Impact/Resources: None.</p> <p><input type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p>Internal/External Stakeholders: None.</p> <p>AC Collaboration: Court Executive Advisory Committee and Data Analytics Advisory Committee.</p>		

LIST OF 2024 PROJECT ACCOMPLISHMENTS

#	Project Highlights and Achievements <i>[Provide brief, broad outcome(s) and completed date.]</i>
1.	During 2024, the audit committee reviewed 7 audit reports focusing on procurement and financial activities of the courts. The reports contained over 25 recommendations where the courts agreed, partially agreed, or disagreed with the audit report's conclusions.
2.	
3.	
4.	
5.	