



# JUDICIAL COUNCIL OF CALIFORNIA

ADVISORY COMMITTEE ON AUDITS AND  
FINANCIAL ACCOUNTABILITY FOR THE  
JUDICIAL BRANCH

[www.courts.ca.gov/auditcommittee.htm](http://www.courts.ca.gov/auditcommittee.htm)  
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## ADVISORY COMMITTEE ON AUDITS AND FINANCIAL ACCOUNTABILITY FOR THE JUDICIAL BRANCH

### MINUTES OF OPEN MEETING WITH CLOSED SESSION

December 5, 2018

12:15 p.m. - 1:15 p.m.

Conference Call

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**Advisory Body Members Present:** Hon. David Rosenberg, Hon. Peter Siggins, Hon. Susan Matcham, Hon. Mary Ann O'Malley, Mr. Kevin Harrigan, Ms. Tania Ugrin-Capobianco, Ms. Sherri Carter, Mr. Kevin Lane, Mr. Phil Jelcich (non-voting advisory member)

**Advisory Body Members Absent:**

**Others Present:** Mr. Grant Parks, Mr. Rick Beard, Ms. Kelly O'Dell, Mr. Richard Cabral, Mr. Robert Sherman

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#### OPEN MEETING

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##### Call to Order and Roll Call

The chair called the meeting to order at 12:15 p.m., and took roll call.

##### Approval of Minutes

Judge O'Malley moved to approve the minutes of the October 3, 2018 meeting. Mr. Kevin Harrigan seconded the motion. There was no further discussion of the minutes. Motion to approve passed by unanimous voice vote of the committee members present.

Mr. Grant Parks informed audit committee that no public comments were received for this meeting.

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#### DISCUSSION AND ACTION ITEMS

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##### Info Item 1

##### Report from Audit Services

Mr. Parks informed the audit committee that audit staff are in the process of closing its work at Glenn Superior Court and 5<sup>th</sup> District Court of Appeal. This work is currently going through a supervisory review. Audit staff will be contacting San Benito and 4<sup>th</sup> District Court of Appeal to schedule their upcoming audits. Audit staff also conducts first audit of Merced Superior Court under Court Grant Innovation Program.

The State Auditor's Office is working on its biennial procurement audit of five courts (Imperial, Los Angeles, Monterey, Santa Barbara and Santa Cruz). We expect to see these audits done sometime in

January 2019. The State Controller's Office (SCO) is near completion of their pilot audits of trial courts revenue, expenditures and fund balance. Additionally, the SCO will soon audit the Judicial Council's administration of revenues, expenditures and fund balance under its control. We are trying to finalize inter-agency agreements with SCO, which should be cleared up in a week or so.

Mr. Parks had conversation with Michael Roddy regarding potential changes to new rules for court interpreters. The Audit Committee had previously directed audit staff to suspend audit activities in that area pending revision of the existing rules. We had a planning meeting with Susan Miller from 6<sup>th</sup> DCA with respect to an appellate court manual. That meeting focused primarily on identifying key players and a scope of what a manual might actually entail. Mr. Parks expects there will be more discussions in that area in the next few weeks. Mr. Parks also had a discussion with Jake Chatters regarding JBSIS data quality standards. CEAC may be considering revised JBSIS data quality rules sometime in late January or early February.

Mr. Parks also wanted to share that he has been in discussions with SCO regarding TC31 audits on fine and fees revenue distribution. Some of these audits have had audit periods that are rather long (e.g. 8-10 years) because there is no well-defined records retention system for those audits. Mr. Parks was able to convince SCO that they should curtail their audit period. SCO agreed to go to a four-year audit period. Mr. Parks expects the Judicial Council's TCAS staff will be making conforming changes to the FIN manual regarding record retention practices.

## **Info Item 2.**

### **General Discussion by Members of the Committee**

Hon. David Rosenberg asked committee members if there was anything they wished to discuss. No one had items to discuss.

## **Action Item 1**

### **External Audit Reports of San Mateo and Tehama Superior Courts' administration of revenues, expenditures and fund balance pursuant to Government Code, Section 77206(h) – State Controller's Office (Action Required)**

Mr. Parks shared that auditors identified some cash handling issues in both courts and recommended that both should more proactively provide public notice for amounts in unclaimed trust (to begin the escheatment process). Overall, SCO concluded that both courts had complied with the governing rules regarding their court revenues, expenditures and fund balance.

**Action:** Ms. Ugrin-Capobianco moved to approve Tehama audit report for posting (seconded by Ms. Carter). The motion passed by unanimous voice vote of the committee members present (Mr. Harrigan abstained).

**Action:** Ms. Ugrin-Capobianco moved to approve San Mateo audit report for posting (seconded by Judge Matcham). The motion passed by unanimous voice vote of the committee members present.

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**A D J O U R N M E N T**

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There being no further open meeting business, the meeting was adjourned to closed session at 12:45 p.m.

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**C L O S E D   S E S S I O N**

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**Item 1**

**Draft Audit Report of the Superior Court of California, County of Sacramento – Rule of Court 10.75(d) (6) *Non-final audit reports or proposed responses to such reports***

The committee's members discussed the draft audit of Sacramento Superior Court.

**Action:** Ms. Ugrin-Capobianco moved to approve and publicly post the audit report (seconded by Judge Matcham). Motion approved unanimously.

**Item 2**

**Draft Audit Report of the Superior Court of California, County of Ventura – Rule of Court 10.75(d) (6) (Action Required) *Non-final audit reports or proposed responses to such reports***

The committee's members discussed the draft audit report for Ventura Superior Court.

**Action:** Judge O'Malley moved to approve and publicly post the audit report (seconded by Ms. Carter). Motion approved unanimously.

Adjourned closed session at 1:15 p.m.

Approved by the advisory body on February 8, 2019.