



JUDICIAL COUNCIL OF CALIFORNIA

ADVISORY COMMITTEE ON AUDITS AND
FINANCIAL ACCOUNTABILITY FOR THE
JUDICIAL BRANCH

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ADVISORY COMMITTEE ON AUDITS AND FINANCIAL ACCOUNTABILITY FOR THE JUDICIAL BRANCH

MINUTES OF OPEN MEETING WITH CLOSED SESSION

July 12, 2019
12:15 p.m. - 1:45 p.m.
Conference Call

Advisory Body Members Present: Hon. David Rosenberg, Hon. Mary Ann O'Malley, Ms. Sherri Carter, Mr. Kevin Harrigan, Mr. Phil Jelcich (non-voting advisory member)

Advisory Body Members Absent: Hon. Peter Siggins, Hon. Susan Matcham, Mr. Kevin Lane, Ms. Tania Ugrin-Capobianco,

Others Present: Mr. Grant Parks, Mr. Oliver Cheng (Attorney), Mr. John Prestianni (Supervising Attorney), Mr. Jimmy Nguyen (Nguyen), Andrew Tran (Attorney)

OPEN MEETING

Call to Order and Roll Call

The chair called the meeting to order at 12:16 p.m. and took roll call.

Approval of Minutes

Judge O'Malley moved to approve the minutes of June 28, 2019 meeting. Ms. Sherri Carter seconded the motion. There was no further discussion of the minutes. Motion to approve passed by unanimous voice vote of the committee members present.

No public comments were received for this meeting.

DISCUSSION AND ACTION ITEMS

Info Item 1

General Discussion by Members of the Committee

No items discussed.

Action Item 1

Revisions to the Judicial Branch Contracting Manual (Action Required)

Mr. Cheng provided some information regarding the Judicial Branch Contracting Manual (JBCM), which is a requirement of Judicial Branch Contract Law (JBCL). JBCL requires Judicial Branch entities to comply with provisions of public contract code related to procurement of goods and services. JBCL also requires Judicial Council to publish and adopt Judicial Branch Contracting Manual. Under Rule of Court 10.63, the Audit Committee

reviews proposed revisions to JBCM and recommends those revisions to Judicial Council. Under rule 10.63, the committee is also responsible for advising and assisting Judicial Council in performing its responsibilities under Judicial Branch Contract Law. JBCL requires JBCM to be consistent with public contract code. There have been some updates in public contract code, so some conforming edits are needed to JBCM.

In addition, there are a couple clarifying edits that have been proposed. One is regarding roles for procurement staff. Another clarifying edit regarding contractors' certification. Draft of the Audit Committee Judicial Council Report and proposed revisions to the manual are included in the meeting materials. If these proposed edits are acceptable to the Audit Committee, the next step would be to present the report and revisions to Executive and Planning Committee meeting next month, so that the revisions can be placed on consent agenda for the Judicial Council's Business Meeting in September. This would be 9th edition of JBCM, and this new version of the manual will have an effective date of October 1, 2019.

Ms. Carter complemented Judicial Council Staff who were involved in clarifying materials. Judge O'Malley concurred on Ms. Carter's statement.

Mr. Jelichich asked Mr. Cheng to provide a reasoning behind the change on page 5, Chapter 1 of JBCM regarding purchasing roles and responsibilities. Mr. Cheng replied that one of the requirements of JBCM is that JBCM must be substantially similar to the provisions of State Contracting Manual as well as State Administrative Manual. This edit is made to be similar to parallel provision in the State Contracting Manual. Mr. Parks offered to update the wording to "Different employees should be responsible for approving invoices and preparing payment", and to remove words "when possible" in the beginning, similar to wording used in the Trial Court Financial Policies and Procedures Manual (FIN Manual). In cases when it's not possible, the Courts will need to demonstrate the reason why they can't follow the directive in the JBCM. Ms. Carter and Mr. Harrigan voiced support for this change. Mr. Cheng clarified that they added "when possible" to provide needed possibilities for some of the smaller courts, for cases when it's logistically impossible to have different employees approving invoices and preparing payments.

Action: Ms. Carter moved to approve proposed language regarding the employees approving invoices and preparing payments without the words "when possible" (seconded by Judge O'Malley). The motion passed by unanimous voice vote of the committee members present.

Action: Ms. Carter moved to approve the recommended change on page 19 of chapter 4 of JBCM (seconded by Judge O'Malley). The motion passed by unanimous voice vote of the committee members present.

Action: Judge O'Malley moved to approve draft of the Committee' report and recommendation to place this draft to the consent agenda of the Judicial Council meeting (seconded by Mr. Harrigan). The motion passed by unanimous voice vote of the committee members present.

ADJOURNMENT

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

Approved by the advisory body on October 21, 2019.