



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

October 21, 2019
12:15 p.m. - 1:45 p.m.
Conference Call

Advisory Body Members Present: Hon. David Rosenberg, Hon. Peter Siggins, Hon. Mary Ann O'Malley, Hon. Arthur A. Wick, Ms. Kate Bieker, Ms. Michelle Martinez, Mr. Neal Taniguchi, Mr. Phil Jelcich (non-voting advisory member)

Advisory Body Members Absent: Mr. Kevin Lane

Others Present: Mr. Grant Parks (Lead Committee Staff), Ms. Dawn Tomita (Audit Supervisor), Mr. Joe Meyer (Senior Auditor)

OPEN MEETING

Call to Order and Roll Call

The chair welcomed committee members and called the meeting to order at 12:16 p.m. and took roll call. Newly appointed and re-elected committee members introduced themselves.

Approval of Minutes

Judge O'Malley moved to approve the minutes of July 12, 2019 meeting. Ms. Martinez 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

Report from Audit Services

Mr. Parks provided information on audits progress. Audit Staff conducted site visits to Superior Courts of Tehama and Sierra counties in August and September. Mr. Parks expects to have these audit reports to be available in mid-January. During the week of October 7th, auditors visited San Mateo and Lassen courts to review their cash-handling procedures. They will return to those courts this week to work on other aspects of audit program. Auditors substantially completed work at two Court Innovations Grant Audits at Los Angeles Superior Court. The audit report results will be shared relatively soon.

As for external audits, the State Controller's Office is wrapping up work at Sutter Superior Court, where they examined the court's revenues, expenditures and fund balance (these audits are required under state law). Meanwhile, the State Auditor's Office is currently auditing Judicial Council's procurement practices under Judicial Branch Contract Law. Mr. Parks expects to see this audit report available at the next Audit Committee's meeting. State Auditor's Office was also asked by Legislature to perform a statewide audit of court and county implementation of the Lanterman-Petris-Short Act. This will likely involve various superior courts across the state. Justice Siggins asked what time period the auditors will review during their LPS audit. Mr. Parks informed they will examine the last three years.

Info Item 2

Welcome to New Committee Members & General Overview of Audit Plan

Mr. Parks provided a general overview of audit plan. He also informed there were 18 audits reports performed in fiscal year 2018-2019 that came for the review of this committee. The audit reports included 124 recommendations. The audit reports were posted online and courts agreed with findings in 87% of the time, which is a good result. The more common audit findings tend to be in cash handling.

Info Item 3

General Discussion by Members of the Committee

No items discussed.

Action Item 1

Annual Audit Plan – Court Interpreter Payments (Action Required)

Mr. Parks indicated this topic is a carry-over issue from when the committee considered approval of the audit plan at a prior meeting. One of the scope areas that audits has traditionally examined in the past were payments to court interpreters. The annual budget act appropriates funding for court interpreter payments to the judicial branch. The budget act also requires Judicial Council to establish pay policies for contract court interpreters. In prior years, Audit Services had sought to audit court compliance with the Council's interpreter pay policies. The Audit Committee suspended testing in this area given its understanding that payment policies were under revision. At last meeting the committee agreed to revisit adding the testing back into the audit program. The court interpreters pay policies have not changed since the last audit committee meeting.

Ms. Martinez informed the audit committee she is on a working group to revise the payment policy. The group is meeting on October 31st to discuss the issue. Ms. Martinez informed the committee that she would share the results of this discussion with Audit Committee. Judge O'Malley believes that Judicial Council needs to make a decision on payment policies on statewide level. Due to a lot of legitimate reasons, there are some disparities between the practices of different counties. Mr. Parks indicated he would check with Michael Roddy, the chair of the working group on interpreter pay policies in early November and then possibly schedule special Audit Committee meeting dedicated to this subject sometime in either November or December.

Action: Judge O'Malley moved to approve scheduling a special meeting for this subject—at the discretion of the chair— after committee staff learn the status of the working group's efforts (seconded by Justice Siggins). The motion passed by unanimous voice vote of the committee members present.

A D J O U R N M E N T

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

C L O S E D S E S S I O N

Item 1

Draft Audit Report – Rule of Court 10.75(d) (6) (Action Required)

Non-final audit reports or proposed responses to such reports

Committee members discussed the draft audit report for Modoc Superior Court, per Rule of Court 10.63(c)(1).

Action: Ms. Bieker moved to approve this report for posting (seconded by Mr. Taniguchi). The motion passed by unanimous voice vote of the committee members present.

Item 2

Draft Audit Report – Rule of Court 10.75(d) (6) (Action Required)

Non-final audit reports or proposed responses to such reports

Committee members discussed the draft audit report for Trinity Superior Court, per Rule of Court 10.63(c)(1).

Action: Justice Siggins moved to approve this report for posting (seconded by Ms. Martinez). The motion passed by unanimous voice vote of the committee members present.

Adjourned closed session at 1:15pm.

Approved by the advisory body on February 10, 2020.