



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

February 10, 2020

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, Mr. Kevin Lane, Ms. Kate Bieker, Ms. Michelle Martinez, Mr. Neal Taniguchi, Mr. Phil Jelicich (non-voting advisory member)

Advisory Body Members Absent: None

Others Present: Mr. Grant Parks (Lead Committee Staff), Ms. Dawn Tomita (Audit Supervisor), Ms. Anna Maves (Supervising Attorney, Center for Families, Children & the Courts), Mr. Raymond Low (Chief Compliance Officer, Los Angeles Superior Court), Mr. Snorri Ogata (Chief Information Officer, Los Angeles Superior Court), Mr. Christopher Vose (Court Executive Officer, Lassen Superior Court), Ms. Ann Mendez (Court Executive Officer, Sierra Superior Court), Mr. Kevin Harrigan (Court Executive Officer, Tehama Superior Court)

OPEN MEETING

Call to Order and Roll Call

The chair welcomed committee members and called the meeting to order at 12:18 p.m. and took roll call.

Approval of Minutes

Judge O'Malley moved to approve the minutes of the October 21, 2019 meeting. Justice Siggins 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 audit progress. Audit Staff visited San Diego Superior Court and the 2nd District Court of Appeal in December and January. Those audits are moving forward per the audit schedule. Audit Services has some vacancies and is in process of recruitment for both Senior Auditor and Auditor positions. Once these positions are filled, the audit team should have eight auditors. Having these vacant positions filled is important

before considering additions to audit scope (later agenda items for this meeting). As for external audits, the Governor's proposed budget for next fiscal year includes the audit committee's proposal for additional funding for superior court audits performed by State Controller's Office. Finally, State Auditor's Office continues its statewide audits of mental health under Lanterman-Petris-Short Act. This audit report is expected to be published in April 2020.

Action Item 1

Annual Audit Plan – Request to Add AB 1058 Program to Audit Scope (Action Required)

Adding AB1058 as part of standard scope of audit for Audit Services Office

Ms. Anna Maves provided some information regarding this request. The Judicial Council of California (JCC) contracts with Department of Child Support Services (DCSS) for funding the AB 1058 Child Support Commissioner and Family Law Facilitator Program. The contract requires the courts to comply with state and federal regulations regarding use of the funds. One of the regulations requires the work billed to the grant must be related to the program. When DCSS audited the courts in 2016 and 2018, they found several courts out of compliance. Based on the findings, DCSS asked Judicial Council for reimbursement of over \$2,000,000 in repayment which has been deferred. The Judicial Council prepared a corrective action plan in response to the findings. According to this plan, JCC would adopt federal grant requirements and train staff on properly tracking time spent on the grant. The action plan also has approved a time tracking methodology which would be subject to audit. The Judicial Council's Family and Juvenile Law Advisory Committee requested the Audit Committee to include the AB 1058 program in future JCC audits. Ms. Maves indicated that all action items in the corrective action plan are complete, except coming to this committee and making this request. DCSS has suspended audits after the first round of eighteen audits and indicates it will perform one audit in 2019-20 and additional audits in 2020-21.

The Audit Committee discussed adding AB 1058 program to annual audit plan given the limited audit resources. Mr. Parks commented that adding AB 1058 to audit plan would add approximately 60 hours for each audit. Judge Rosenberg asked if there is an option to hire more auditors. Mr. Parks said he could check with the Budget Services, but suspected funding was limited. Due to Audit Services Office being currently understaffed, members proposed not to include the AB 1058 program in the annual audit plan.

Action: Judge O'Malley moved to approve a motion against adding the AB 1058 program from the annual audit program. The motion was seconded by Ms. Kate Bieker. Four committee members voted to approve this motion, while four members opposed. Since the motion failed, the chair directed Mr. Parks will draft a letter to the Family and Juvenile Law Advisory Committee outlining what audit staff could do to support their request to audit the AB 1058 program.

Action Item 2

Annual Audit Plan – Discussion to Include Court Interpreter Payments (Action Required)

During the last meeting, the Audit Committee discussed resuming audit work of payments to court interpreters (previously, this work was suspended by the committee pending changes to the council's interpreter pay policies). Mr. Parks commented that Court Executives Advisory Committee (CEAC) is working on revisions to the policy and proposed holding off from adding this item to audit plan until start of next fiscal year.

Action: Judge O'Malley moved to approve the motion to hold off from adding court interpreter payments into audit program. The motion seconded by Ms. Martinez. Motion approved unanimously.

Action Item 3

External Audit Report – State Auditor's Office (Action Required)

The State Auditor's Office performs statutory audits of the Judicial Council every other year. These audits evaluate compliance with the Judicial Branch Contracting Manual and adherence to competitive bidding requirements, among other items. This recent audit had just a few findings. Specifically, JCC had some reporting challenges following its transition to FISCAL that affected the quality of its semiannual reporting to the Legislature. The Judicial Council is working with the Department of FISCAL to determine the best way to obtain the data needed to satisfy statutory reporting requirements. Another finding identified procurement managers authorizing agreements that exceeded their signing authority. The Judicial Council agreed with those findings and has had discussions with procurement staff regarding their authority.

Action: Ms. Kate Bieker moved to approve the motion to post State Auditor's review of Judicial Council. Motion seconded by Hon. Arthur A. Wick. Motion approved unanimously.

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 4

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 Los Angeles Superior Court and its various projects funded through the Court Innovations, per Rule of Court 10.63(c)(1).

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

Item 5

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 Tehama 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.

Item 6

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 Sierra 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.

Item 7

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 Lassen Superior Court, per Rule of Court 10.63(c)(1).

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

Item 8

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 San Mateo Superior Court, per Rule of Court 10.63(c)(1).

Action: Judge O'Malley moved to approve this report for posting (seconded by Mr. Lane). Mr. Taniguchi abstained from voting. The motion passed by unanimous voice vote of the committee members present.

Adjourned closed session at 1:15pm.

Approved by the advisory body on July 14, 2020.