



Audit of the Superior Court of California, County of Glenn

SEPTEMBER 2026



Judicial Council of California

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Superior Court of California, County of Glenn

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EXECUTIVE SUMMARY

Government Code, sections 77206(g) and 77009(h) provide the Judicial Council of California (Judicial Council) with the authority to inspect and review superior court records and to perform audits, reviews, and investigations of superior court operations. The Judicial Council's Office of Audit Services (Audit Services) periodically conducts performance audits of the superior courts in order to verify their compliance with the Judicial Council's policies and with state law. These audits are primarily focused on assisting the courts identify which of their practices can be improved upon to better promote sound business practices and to demonstrate accountability for their spending of the public's funds.

Summary of Audit Results

Our audit found that the Superior Court of California, County of Glenn (Court) demonstrated compliance with many of the Judicial Council's requirements evaluated during the audit. The Court demonstrated consistent adherence with many of the compliance areas evaluated during the audit. In particular, the Court demonstrated good compliance in the areas of reporting new case filing counts and data to JBSIS and reporting year end encumbrances. For example, our review found that the Court's records materially supported the new case filing counts and data submitted to JBSIS. In addition, our review found that the encumbrances reported at fiscal yearend were properly supported.

However, our audit did identify six reportable audit findings—as shown in Table 1 on the next page—where we believe the Court should consider taking corrective action to improve its operations and more fully comply with the Judicial Council's policies. These findings are further detailed in the body of the report and include the Court's perspective.

One particular area of focus for the Court as it considers opportunities for improvement should include strengthening its controls over its procurement processes to ensure it uses the solicitation method appropriate for the amount and type of procurement and retains all relevant procurement documents in a procurement file to substantiate compliance with applicable JBCM requirements. Specifically, the Court was unable to consistently justify its use of noncompetitive procurement for goods and services that exceeded the \$10,000 JBCM non-competitive bid threshold, due to the lack of supporting documentation in the procurement files demonstrating the justification and approval for using a sole-source procurement process. According to the JBCM, a sole-source request must be documented and approved by the appropriate and authorized court staff. Additionally, the documented and approved sole-source request should include a description of the goods or services, an explanation of why the goods and services cannot be competitively bid, any efforts to solicit competitive bids, documentation that pricing offered is fair and reasonable, and any other special factors affecting the cost or other aspects of the procurement. When courts do not reasonably justify their decision for not following the JBCM competitive bidding requirements, they risk failing to obtain the best value procurements and may create the appearance of not fairly awarding procurement contracts. The Court agrees with our finding and recommendation in this area and affirmed its commitment to compliant contracting practices.

Table 1 – Audit Results at a Glance – California Superior Court, County of Glenn

Areas and Sub-Areas Reviewed	Finding Number(s)
Cash Handling: Daily Opening Process	N/A
Cash Handling: Voided Transactions	N/A
Cash Handling: Manual Receipts	N/A
Cash Handling: Mail Payments	Finding #1
Cash Handling: Internet Payments	N/A
Cash Handling: Change Fund	Finding #2
Cash Handling: End-of-Day Balancing and Closeout	N/A
Cash Handling: Bank Deposits	N/A
Cash Handling: Other Internal Controls	N/A
Procurement and Contracts: Procurement Initiation	N/A
Procurement and Contracts: Authorization & Authority Levels	N/A
Procurement and Contracts: Competitive Procurements	Finding #3
Procurement and Contracts: Non-Competitive Procurements	N/A
Procurement and Contracts: Leveraged Purchase Agreements	N/A
Procurement and Contracts: Contract Terms	N/A
Procurement and Contracts: Other Internal Controls	N/A
Payment Processing: Three-Point Match Process	N/A
Payment Processing: Payment Approval & Authority Levels	Finding #4
Payment Processing: Special Rules – In-Court Services Providers	N/A
Payment Processing: Special Rules – Court Interpreters	Finding #5
Payment Processing: Other Items of Expense	N/A
Payment Processing: Jury Expenses	N/A
Payment Processing: Travel Expense Claims	Finding #6
Payment Processing: Business-Related Meals	N/A
Payment Processing: Allowable Costs	N/A
Payment Processing: Other Internal Controls	N/A
Fund Balance: Year-End Encumbrances	N/A
Fund Balance: Use of “Held on Behalf” Funds	N/A
JBSIS Case Filing Data: Validity of JBSIS Data	N/A

Summary Perspective of Court Officials

Audit Services initiated its audit of the Court on February 4, 2026, and completed its fieldwork in July 2026. Audit Services shared the draft findings with the Court starting on May 20, 2026, and received the Court's final official responses on August 14, 2026. The Court generally agreed with the findings, and its specific responses are included in the body of the report after each finding.

Report Distribution

The Judicial Council's *Advisory Committee on Audits and Financial Accountability for the Judicial Branch* reviewed this report on September 18, 2026, and approved it for public release.

Audit Staff

This audit was completed by the following staff under the general supervision of Michelle O'Connor, Audit Supervisor, CPA, CGFM, CFE:

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BACKGROUND ON THE COURT'S OPERATIONS

The Superior Court of California, County of Glenn (Court) operates one court facility in the city of Willows. The Court operates under the authority and direction of the Presiding Judge, who is responsible for ensuring the effective management and administration of the Court, consistent with any rules, policies, strategic plan, and the funding provided by the Judicial Council.

California's 58 superior courts each have differing workloads, staffing levels, and financial resources. They operate under a decentralized system of governance and are each responsible for their own local court operations and business decisions. The Presiding Judge has the authority to: develop a local budget and allocate the funding provided by the Judicial Council; approve procurements and contracts; and authorize the Court's expenditures.

The Judicial Council generally groups superior courts into four clusters and uses these clusters, for example, when analyzing workload and allocating funding to courts. Cluster 1 courts are those superior courts with between 1.1 and 4 judicial position equivalents (JPEs), cluster 2 courts are those with between 4.1 and 20 JPEs, cluster 3 courts are those with between 20.1 and 59.9 JPEs, and cluster 4 courts are those with 60 or more JPEs. Glenn Superior Court is a cluster 1 court.

SCHEDULE OF AUDIT FINDINGS AND PLANNED CORRECTIVE ACTION

CASH HANDLING

The Court Should Strengthen Its Control Over Reporting of Unprocessed Mail Payments and Change Fund Custodianship

Background

Trial courts must collect and process customer payments in a manner that protects the integrity of the court and its employees, and promotes public confidence. Thus, trial courts should institute a system of internal control procedures that assure the safe and secure collection, and accurate accounting of all payments. A court's handling of collections is inherently a high-risk activity given the potential incentives for court employees to act inappropriately when mandatory internal controls per the Trial Court Financial Policies and Procedures Manual (FIN Manual) are compromised or not in operation.

Results

Overall, the Court demonstrated compliance in many of the areas we evaluated during the audit. Specifically, the Court demonstrated sound management practices in the areas of its daily opening processes, end-of-day balancing and close-out processes, and void transactions.

Nevertheless, we identified two audit findings that we believe require the Court's attention and corrective actions. These findings pertained to the following specific areas of cash handling:

Finding #	Subject Area
1	Mail Payments – Prompt Payment Processing
2	Change Fund – Accountability

FINDING #1*MAIL PAYMENTS – PROMPT PAYMENT PROCESSING***CRITERIA**

FIN MANUAL, FIN 10.02, 6.4 PAYMENTS RECEIVED THROUGH THE MAIL AND DROP BOXES:

4. To provide for strong oversight and monitoring of payments not processed on the day they were received in the mail or drop boxes, courts must adhere to the following steps:
 - a. Trial court staff responsible for processing payments must review on a daily basis all payments that are held over from a previous day's work to determine if any of the held payments can be processed. This requirement can be met by reviewing the held payments receipt log sheets and associated payments to determine if the payment can be processed.
 - b. The supervisor/manager responsible for the trial court staff who process payments must identify and log any payment that has been held for more than 5, 15, and 30 calendar days without being processed. The log must specify the reason why the payment cannot be processed. The log must identify any cash payment being held in suspense for more than 5, 15, and 30 calendar days.
 - c. The supervisor/manager responsible for the trial court staff who process payments must provide a report, at least on a monthly basis, to the court executive officer and the court fiscal officer, and/or to his or her written designee, that lists by age (length of time held) any payment that has been held for more than 15 and 30 calendar days without being processed. The report must provide the following details, if known, for each payment being held:
 - i. Case or docket number;
 - ii. Name of the person mailing the payment;
 - iii. Payment amount;
 - iv. Check number (if applicable);
 - v. Date received in the mail; and
 - vi. Reason why payment cannot be processed.

CONDITION

The Court's payment collection location does not identify and log mail payments that have been held for more than 5, 15, and 30 days, nor does it document the reasons they remain unprocessed. In addition, the Court lacks a process for reporting unprocessed mail payments older than 15 or 30 days to the CEO and CFO. During our onsite review, we identified one mail payment that had remained unprocessed in the Court's safe for 196 calendar days. According to the Court, the mail payment, which contained a money order, included no case number and arrived in an envelope without a return address; therefore, the Court held the mail payment in case the sender attempted to claim it. According to court management, due to the extended period the money order remained unclaimed, the next step would be to seek guidance from the JCC. This issue occurred in part because the Court's local desktop procedures for processing mail and drop box payment did not incorporate the FIN Manual reporting requirements. The

Court stated it is in the process of updating its mail payment handling procedures. Nonetheless, the FIN manual states that the supervisor or manager responsible for the trial court staff who process payments must identify and log any payment that has been held for more than 5, 15, and 30 calendar days without being processed. The log must specify the reason why the payment cannot be processed, and the log must identify any cash payment being held in suspense for more than 5, 15, and 30 calendar days. Payments received by mail pose a heightened risk of loss or theft because the payor is not present during the transaction and is not guaranteed to receive a receipt. As a result, the Court faces an increased risk of mail payments being lost or stolen.

RECOMMENDATION

To ensure the secure collection and accurate accounting of mail payments, the Court should require supervisors and managers overseeing mail payment processing to identify and log any mail payments held for more than 5, 15, or 30 calendar days without being processed. For mail payments unprocessed for more than 15 or 30 calendar days, supervisors and managers should consistently provide written reports to the CEO and CFO.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court partially agrees with this Finding and Recommendation. During the course of this audit the Court has already modified its Cash Handling Policy to ensure that we track items i-vi in Fin 10.02, the number of days a check has been unprocessed, and allows a method for notification to the CFO and CEO. Our response indicates the Court partially agrees because, due to the size of our Court, the Supervisor of the check processing is the CFO or Fiscal and Administrative Services Manager. For that reason, the responsibility to report these instances has been delegated to the Fiscal Technician, who is responsible for handing out any unprocessed checks from the safe on a daily basis.

Response provided on 5/20/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: May 20, 2026

Responsible Person(s): Nicholas Gonzales – Court Executive Officer

FINDING #2***CHANGE FUND – ACCOUNTABILITY*****CRITERIA**

FIN MANUAL, FIN 10.02, 6.3.1 CASH CHANGE FUND:

6. The court executive officer or his or her designee must appoint a custodian for each Cash Change Fund that is \$500 or more at any separately managed trial court location. The custodian is responsible for the safekeeping, replacement, disbursement, and accounting for the assigned Cash Change Fund. A copy of this policy must be given to the custodian to ensure that he or she understands the requirements for the Cash Change Fund.
- c. When custody of the Cash Change Fund is transferred to another custodian:
 - i. A personal audit of the fund must be made by the trial court employees directly concerned; and
 - ii. A Cash Change Fund Change of Custodian form (provided in 7.0, Associated Documents) must be completed and then approved by the court executive officer or his or her designee.

CONDITION

The Court CEO or his or her designee has not formally appointed a change fund custodian—who has no other cash handling responsibilities—to oversee the \$750 change fund maintained by the Fiscal division. Instead, the fiscal and administrative services manager and the fiscal technician were informally designated as the change fund custodians. The Court also did not provide them with a copy of the FIN manual section related to the change fund policy, nor was an audit conducted when custody of the change fund was transferred to the new custodians. According to the Court, when the three court locations were consolidated into one in November 2023, the change funds were also combined. Court personnel were unaware of the FIN Manual requirements and are currently developing cash handling procedures that will include change fund procedures. However, the FIN Manual requires the Court to document the CEO or designee’s appointment of change fund custodians for change funds of \$500 or more, provide the custodians with the relevant FIN Manual policy, and conduct an audit when the fund is transferred to a new custodian. Without clearly documented custodial responsibility and required audits, the Court increases the risk of loss, theft, or inappropriate use of change funds.

RECOMMENDATION

The Court CEO or designee should formally appoint a change fund custodian for its \$750 change fund and provide the custodian with a copy of the FIN Manual change fund policy.

COURT’S VIEW AND CORRECTIVE ACTION PLAN

The Court agrees with the Finding and Recommendation that at the time of the audit the Court did not have a designated custodian for the change fund. During the course of this audit the Court has updated its cash handling policy, and the Fiscal and Administrative Services Manager has been designated as the custodian of the change fund.

Response provided on 5/20/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: May 20, 2026

Responsible Person(s): Nicholas Gonzales – Court Executive Officer

PROCUREMENT AND CONTRACTS

The Court Complies with Most Applicable Requirements for Procuring Goods and Services, But Should Ensure It Justifies its Use of Noncompetitive Procurements

Background

Trial courts are expected to procure goods and services in a manner that promotes competition and ensures best value. To achieve this expectation, the Judicial Branch Contracting Manual (JBCM) and the Trial Court Financial Policies and Procedures Manual provide uniform guidelines for trial courts to use in procuring necessary goods and services and in documenting their procurement practices. Trial courts must demonstrate that their procurement of goods and services are conducted economically and expeditiously, under fair and open competition, and in accordance with sound procurement practice. Typically, a purchase requisition is used to initiate all procurement actions and to document approval of the procurement by an authorized individual. The requestor identifies the goods or services, verifies that budgeted funds are available for the purchase, completes the requisition form, and forwards it to the court manager authorized to approve purchase requests. The court manager is responsible for verifying the necessity and appropriateness of the requested items, that the correct account codes are specified and assuring that funds are available before approving and forwarding the requisition form to the staff responsible for procuring goods and services. Depending on the type, cost, and frequency of the goods or services to be procured, court staff responsible for procuring goods and services may need to perform varying degrees of procurement research to generate an appropriate level of competition and obtain the best value. Court procurement staff may need to also prepare and enter the agreed-upon terms and conditions into purchase orders, service agreements, or contracts to document the terms and conditions of the procurement transaction, and maintain a procurement file that fully documents the procurement transaction.

Results

Our review found that the Court complied with several applicable requirements for procuring goods and services. Specifically, the Court demonstrated compliance in various areas we evaluated during our audit, including demonstrating sound management practices in the area of leveraged purchase agreements. Nevertheless, we identified one audit finding that we believe requires the Court's attention and corrective action. This finding pertained to the following specific area of procurement:

Finding #	Subject Area
3	Competitive Procurements

FINDING #3***COMPETITIVE PROCUREMENTS*****CRITERIA****JUDICIAL BRANCH CONTRACTING MANUAL, CHAPTER 2, 2.3 CREATING THE PROCUREMENT FILE:**

The Buyer should create a procurement file for each transaction. This section provides guidance on what should be included in the procurement file. Please note that the following list is not exhaustive. A JBE may adopt policies respecting the creation and contents of procurement files in its Local Contracting Manual.

Document decisions: Buyers should develop a strategy of how the procurement activity will be accomplished, and document the rationale for developing that strategy. In simple terms, Buyers should maintain a diary of the events and decisions that lead up to and complete the purchase transaction, providing a timeline and history of the actions and decisions made throughout the procurement process.

Provide the basis of the decisions: Buyers should also describe how competition will be sought, promoted, and sustained throughout the course of the purchasing activity. If open competition is not the method of choice, document the basis of the decision.

Public record: Buyers should create and maintain their procurement files keeping in mind that most procurement records are subject to disclosure under CRC 10.500.

JUDICIAL BRANCH CONTRACTING MANUAL, CHAPTER 5, 5.9 SOLE SOURCE:

JBEs may purchase non-IT goods, non-IT services, and IT goods and services of any value without conducting a competitive procurement if (i) the vendor is the only source of the goods and/or services that meet the JBE's need, or (ii) a grant application submittal deadline does not permit the time needed for a competitive procurement of services.

A sole source request must be provided to the sole source approver.

The sole source request should include the following information:

- Description of the non-IT goods, non-IT services, or IT goods and services to be procured;
- Explanation of why the non-IT goods, non-IT services, or IT goods and services cannot be procured competitively;
- The effort made to solicit competitive Bids, if any;
- Documentation that the pricing offered is fair and reasonable; and
- Special factors affecting the cost or other aspect of the procurement, if any.

CONDITION

For two procurement transactions, the Court was unable to justify its use of noncompetitive procurement for goods that exceeded the \$10,000 JBCM non-competitive bid threshold. Specifically, for the procurement of an IT services subscription totaling \$13,695 and the lease

and use of copy machines totaling \$47,474, court management could not locate supporting documentation in the procurement files demonstrating the justification and approval for using a sole-source procurement process. According to the JBCM, a sole-source request must be provided to the sole-source approver and should document a description of the goods or services, an explanation of why the goods and services cannot be competitively bid, any efforts to solicit competitive bids, documentation that pricing offered is fair and reasonable, and any other special factors affecting the cost or other aspects of the procurement. When courts do not reasonably justify their decision for not following the JBCM competitive bidding requirements, they risk failing to obtain the best value procurements and may create the appearance of not fairly awarding procurement contracts.

RECOMMENDATION

To increase transparency to the public and to demonstrate due diligence in consistently procuring goods and services through a fair and competitive procurement process, the Court should ensure it uses the solicitation method appropriate for the amount and type of procurement. The Court should also retain all relevant procurement documents in a procurement file to substantiate compliance with applicable JBCM requirements.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court agrees with the audit finding. One of the two procurements involved a preexisting agreement established prior to the current administration. The Court has followed, and will continue to follow, the local contracting manual adopted in 2023. In summary, the Court acknowledges the finding and affirms its commitment to compliant contracting practices.

Response provided on 8/10/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: August 10, 2026

Responsible Person(s): Christine Ponce – Fiscal and Administrative Services Manager

PAYMENT PROCESSING

The Court Should Strengthen Its Verification of Invoices and Claims Prior to Payment

Background

Trial courts must institute procedures and internal controls to ensure they pay for appropriate goods and services in an economical and responsible manner, ensuring that they receive acceptable goods and services prior to payment. Thus, the FIN Manual provides courts with various policies on payment processing and provides uniform guidelines for processing vendor invoices and in-court service provider claims. All invoices and claims received from trial court vendors, suppliers, consultants and other contractors are routed to the trial court accounts payable department for processing. The accounts payable staff must process the invoices in a timely fashion and in accordance with the terms and conditions of the respective agreements. Staff must match all invoices to the proper supporting procurement and receipt documentation, and must ensure approval for payment is authorized by court management acting within the scope of their authority.

In addition, trial court judges and employees may be required to travel as part of their official duties, and may occasionally conduct official court business during a meal period. Courts may reimburse their judges and employees for their reasonable and necessary travel expenses, within certain maximum limits, incurred while traveling on court business. Courts may also reimburse their judges and employees, or pay vendors, for the actual cost of providing business-related meals when certain rules and limits are met.

Results

The Court demonstrated compliance in various payment processing areas we evaluated during our audit. The Court demonstrated sound management practices in the areas of other items of expense and allowable costs. Nevertheless, we identified three audit findings in the payment processing area that we believe requires the Court's corrective actions. These findings pertained to the following specific areas of payment processing:

Finding #	Subject Area
4	Payment Approval and Authority Levels
5	Special Rules – Court Interpreters
6	Travel Expense Claims – Approval and Support

FINDING #4*PAYMENT APPROVAL AND AUTHORITY LEVELS***CRITERIA****FIN MANUAL, FIN 8.01, 6.4 PAYMENT APPROVAL:**

1. Designated court officials with payment approval authority must review all invoices for:
 - a. Appropriateness of the transactions.
 - b. Accuracy of the records submitted.
 - c. Reasonableness of the expenditures.
2. Designated court officials must act within the scope of their authority when approving invoices for payment. If the dollar amount or nature of a purchase exceeds an individual's authority, the next level of authority must be consulted and appropriate approval secured before releasing the invoice for payment.
5. Invoices that have been properly processed and approved according to the applicable criteria must be forwarded to the trial court accounts payable department or accounts payable provider for payment.

CONDITION

For 26 out of 40 payment transactions reviewed, the Court could not demonstrate that these invoices were reviewed and approved for payment by individuals with the appropriate authority. Specifically, for these 26 payment transactions, the Fiscal and Administrative Manager's signature on the invoices indicates only that the payment was recorded in the general ledger; it does not serve as evidence of payment approval. According to court management, payment approval is documented on the purchase request, which authorizes the expenditure of funds. However, the purchase request is intended to document the authorization to initiate the procurement of goods or services. The review and approval of invoices for payment is a separate process that verify goods or services were received as ordered, the invoice is accurate and supported by appropriate documentation, and the payment is appropriate before disbursement. The FIN Manual requires courts to ensure that invoices and payment claims are reviewed and approved by authorized personnel before payment is made. Without documented invoice payment approvals from the appropriate authority, the Court is at an increased risk of making unauthorized, excessive, or inappropriate payments.

RECOMMENDATION

To ensure all invoices are properly paid, the Court should implement controls requiring thorough review and approval before processing invoices for payment. These controls should require designated court employees to review each invoice for appropriateness of the transaction, accuracy of the records submitted, and reasonableness of the expenditure. If the dollar amount or nature of a purchase exceeds an individual's authority, the next level of approval must be obtained before processing the invoice for payment. The Court should also consider providing refresher training to accounts payable staff regarding the required approvals that must be obtained prior to processing invoices for payment.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court disagrees with the finding above. All of the noted items were purchase orders. All purchase orders require a purchase requisition that is authorized by the CEO or the Judges. Their signature grants approval for both the purchase and payment of goods or services. All PO requests are then submitted to the Judicial Council of California (JCC) to be entered into SAP. Glenn staff do not have the ability to add or edit POs.

If an invoice were to exceed the allotted PO amount, the Fiscal team would be required to adjust the PO by obtaining a new purchase requisition or change order, completed and signed by the CEO or Judges, and then submit it to the JCC for modification in SAP. At no point in this process has the Court been at an increased risk of making unauthorized, excessive, or inappropriate payments.

With that said the Court is in the process of reviewing the modifying its payment approval process to streamline efficiencies. We will include and adopt the recommendation in this finding and have all PO invoices signed prior to payment when this project has been fully implemented.

Response provided on 8/10/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: January 1, 2027

Responsible Person(s): Christine Ponce – Fiscal and Administrative Services Manager

AUDIT SERVICES' COMMENTS ON COURT'S VIEW

To provide clarity and perspective, we are commenting on the Court's response. The Court contends that approval of a purchase requisition constitutes documented approval for both procurement of goods/services and the payment of invoices. However, as outlined in the Judicial Branch Contracting Manual (JBCM), a purchase requisition is intended to authorize the initiation of a procurement, not the approval of payment for invoices. The JBCM, Chapter 2 (Procurement Planning), specifies that the initial review of a purchase request is the first step in procurement planning. This review ensures the procurement is justified, funding is available, and other requirements are met. Reviewing and approving invoices for payment is a distinct process, required to confirm that goods or services have been received as ordered, invoice details are accurate, and payment is appropriate before funds are disbursed. The FIN Manual requires a documented review and approval process—known as the three-point match—which verifies receipt, accuracy, and appropriateness of payment. Authorization to procure goods and services is governed by the JBCM, while authorization for invoice payment is governed by the FIN Manual. These are separate processes, each with distinct requirements. While Audit Services acknowledges that the Court reviews invoices prior to payment, we are unable to verify that authorized personnel approved payment for specific invoices payment after performing the three-point match due to the lack of documented invoice approval.

FINDING #5*SPECIAL RULES – COURT INTERPRETERS***CRITERIA****JUDICIAL COUNCIL OF CALIFORNIA, PAYMENT POLICIES FOR INDEPENDENT CONTRACTOR INTERPRETERS (EFFECTIVE JULY 1, 2021)****III. Policy****B. Compensation Rates****3. The compensation rates for interpreters are as follows:****a. Certified/Registered Interpreters**

- Half-day: \$175
- Full-day: \$350
- Hourly: \$44

b. Noncertified/Nonregistered Interpreters (provisionally qualified [Cal. Rules of Court, rule 2.893])

- Half-day: \$110
- Full-day: \$220
- Hourly: \$28

E. Costs Exceeding Normal Rates

1. Courts have the discretion to negotiate compensation rates above those established by this policy in order to obtain services in extraordinary circumstances.
2. Before a higher compensation rate may be authorized, the following procedures must be followed:
 - a. The court must make a reasonable effort to contact a minimum of three independent contractor interpreters. If contacting three is not feasible in a given circumstance, the reason(s)/rationale and what attempts were made must be documented.
 - b. Each interpreter who is contacted must be unwilling to accept the applicable maximum rate and/or be unavailable to provide service to the court on the requested date(s).
 - c. The court must make a determination that the only alternative, other than to pay a compensation rate that exceeds the maximum rate included in this policy, is to continue the proceeding.
 - d. The trial court's Executive Officer or designee must approve the higher rate for the specific case and date(s) requested prior to the commencement of work.

CONDITION

For three court interpreter transactions reviewed, the Court did not document the extraordinary circumstances that prompted it to pay rates higher than the rates established in the Judicial Council's *Payment Policies for Independent Contractor Interpreters* (standard rates). The Court

paid one certified Spanish interpreter a full-day rate of \$566 when the standard rate is \$350. The Court paid another Spanish interpreter a full-day rate of \$525. Although this claimant did not indicate if they were a certified/registered or a non-certified/non-registered interpreter, the rate paid was higher than the standard rate for either classification. Finally, the Court paid a certified Urdu interpreter a half-day rate of \$750 when the rate is \$175. Court management stated that the Court did not have formal agreements with its court interpreters but plans to establish contracts beginning in FY 2026–27. Nonetheless, without a written description of the unusual circumstances that prompted it to pay rates that are higher than the standard rates, accounts payable staff do not have the documentation they need to verify and demonstrate that the Court is paying only necessary and approved costs.

RECOMMENDATION

To ensure its accounts payable staff pay only necessary and approved contract court interpreter rates and costs, the Court should consistently document the unusual circumstances and pre-approval of contract court interpreter services that exceed the Judicial Council's standard rates.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court agrees with the audit finding as noted above. For the 2026–2027 fiscal year, the Court has issued contracts for interpreter services. When necessary and applicable, the Court will complete and retain payment rate authorization forms for any interpreter services that exceed the federal rate and are provided by interpreters with whom we do not have a contract.

Response provided on 8/10/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: August 10, 2026

Responsible Person(s): Christine Ponce – Fiscal and Administrative Services Manager

FINDING #6*TRAVEL EXPENSE CLAIMS – APPROVAL AND SUPPORT***CRITERIA**

FIN MANUAL, FIN 8.03, 6.3 TRAVEL PROCEDURES:

1. It is necessary to document business travel expenses with receipts showing the actual amounts spent on lodging, transportation, and other miscellaneous items. In limited circumstances, a receipt not on preprinted bill head may be acceptable. Receipts not on preprinted bill head must be signed by the vendor or person furnishing the goods or services. Every receipt must be properly itemized. Receipts are required to claim reimbursement for:
 - h. Conferences and training classes. In addition to the receipt, a proof of attendance or certification of completion must be submitted with the claim. Agenda materials distributed at the conference will suffice as proof of attendance.

In cases where receipts cannot be obtained or have been lost, a written explanation to that effect and the reason provided must be noted on the Travel Expense Claim. Lodging, airfare, and car rental receipts cannot be certified as lost or waived and must not be reimbursed without the submission of a valid receipt.

CONDITION

Our review determined that the Court did not comply with FIN Manual requirements for travel related to conferences and training. Specifically, the FIN Manual requires that TEC submissions for these events must include the registration receipt as well as either proof of attendance, a certificate of completion, or agenda materials distributed at the event. However, none of the five TECs reviewed for conferences and training included the required supporting documentation. According to the Court, registration receipts were not submitted because the trainings and conferences were provided at no cost by sponsoring organizations. Additionally, the Court stated that proof of attendance, certificates of completion, and agenda materials were not included with the TEC submissions for several reasons. In some cases, certificates are filed in the employee's HR folder after review, rather than being attached to expense claims. Furthermore, agendas from judges' and CEO conferences are considered confidential, and certificates of attendance are not provided for these events. Nonetheless, when courts do not require employees to submit TEC forms containing all required information and documentation, reviewers and accounts payable staff may lack sufficient materials to properly verify that TECs include only appropriate expenses prior to approval.

RECOMMENDATION

To ensure it complies with the required Judicial Branch travel expense reimbursement policies and procedures, and to ensure its travel expenses are an appropriate and necessary use of public funds, the Court should do the following:

- Require employees who travel for training courses or conferences to include the required supporting documentation with their TEC submissions, including receipts, proof of attendance, or certificates of completion.
- Provide clear instructions and training to managers, supervisors, accounts payable staff, and employees who travel on Court business regarding the information and documentation required to review and approve allowable travel expenses.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court agrees with the audit finding noted above. Our Administrative Assistant has been instructed to gather all required materials and submit them to Fiscal as supporting documentation for the claims. All staff will be held to the same requirements for providing the necessary documentation.

The Court is also in the process of reviewing and consolidating all travel-related processes and procedures to develop one comprehensive policy. This will provide clear guidance for managers, staff, and Fiscal regarding the required information when a TEC is submitted.

Response provided on 7/24/2026 by: Nicholas Gonzales – Court Executive Officer

Date of Corrective Action: July 24, 2026

Responsible Person(s): Nicholas Gonzales – Court Executive Officer; Donald Stanwood – Administrative Assistant; Christine Ponce – Fiscal and Administrative Services Manager.

FUND BALANCE

The Court Appropriately Supported Its Year-End Encumbrances

Background

State law allows trial courts to retain unexpended fund balance reserves in an amount that does not exceed a defined percentage of a court's prior fiscal year operating budget. Operating budget is defined as the court's total expenditures from all funds (excluding fiduciary funds) that are expended for operating the court. Certain types of funds received by the court and restricted for certain purposes—as specifically designated in statute, and including year-end encumbrances—are exempt from this requirement. The intent of the legislation was to prevent trial courts from accumulating significant fund balances instead of spending the funds on court operations. Audit Services reviews year-end encumbrances to ensure courts do not inflate their calculated fund balance caps by overstating total year-end encumbrance amounts for the current fiscal year, avoiding any required reductions in their budget allocation.

In addition, should a court need to retain funds that exceed its fund balance cap, the Judicial Council adopted a process whereby courts that meet certain specified guidelines may request approval from the Judicial Council to hold excess funds “on behalf of the court.” The request specifies how the funds will be used and requires the court to explain why such spending could not occur through its annual operating budget. If the Judicial Council approves the court's request, the Judicial Council may impose additional terms and conditions that courts must accept, including separately tracking the expenditures associated with these funds held on behalf of the court. As a part of the Judicial Council-approved process for approving funds held on behalf of a court, Audit Service is charged with reviewing funds held on behalf of the courts as a part of its normal court audit cycle to confirm that the courts used the funds for their approved stated purpose.

Results

Our review found that the Court complied with the requirements for reporting year-end encumbrances. Specifically, the Court supported the encumbrances it reported on its final FY 2024-25 calculation form with valid contracts for goods or services not received by June 30, 2025.

Finally, we found the Court had excess funds held on its behalf at the end of FY 2023-24 and FY 2024-25. Our review found that the Court complied with the requirements to spend its held funds for the purposes previously approved by the Judicial Council.

JBSIS CASE FILING DATA

The Court Reported Accurate New Case Filing Counts and Data to JBSIS

Background

The Judicial Branch Statistical Information System (JBSIS) is a reporting system that defines and electronically collects summary information from court case management systems for each major case processing area of the court. JBSIS directly supports the technology goals of the Judicial Council's strategic plan, providing information for judicial branch policy and budgetary decisions, management reports for court administrators, and the Judicial Council's legislative mandate to report on the business of the courts. Authorization for JBSIS is found in California Rules of Court, rule 10.400: "Consistent with article VI, section 6 of the California Constitution and Government Code section 68505, JBSIS is established by the Judicial Council to provide accurate, consistent, and timely information for the judicial branch, the Legislature, and other state agencies that require information from the courts to fulfill their mandates. Each trial court must collect and report to the Judicial Council information according to its capability and level of automation as prescribed by the JBSIS Manual adopted by the Judicial Council..." The Court Executives Advisory Committee is responsible for oversight of this program.

Results

Our review found that the Court's records supported the new case filing counts and data it reported to the Judicial Council's Research, Analytics and Data Office through JBSIS for fiscal year 2024-25.

APPENDIX – AUDIT SCOPE AND METHODOLOGY

Audit Services initiated an audit of the Superior Court of California, County of Glenn (Court) in order to determine whether it complied with certain key provisions of statute and the policies and procedures adopted by the Judicial Council of California, such as those contained within the Trial Court Financial Policies and Procedures Manual (FIN Manual) and the Judicial Branch Contracting Manual (JBCM). Our audit was limited to evaluating compliance with those requirements that, in our professional judgment, were necessary to answer the audit's objectives. The period covered by this audit was generally limited to fiscal year (FY) 2024-25, but certain compliance areas noted below required that we review earlier periods or current practices. Table A-1 lists the specific audit objectives and the methods we used to address them.

Table A-1 – Audit Objectives and the Methods Used to Address Them

	Audit Objective	Method
1	Through inquiry, auditor observation, and review of local court policies and procedures, identify areas of high risk to evaluate the Court's compliance.	Audit Services developed an annual audit plan generally identifying areas of high risk at the superior courts. At the Court, we made inquiries and reviewed any local procedures to further understand its unique processes in each compliance area.
2	Determine whether the Court implemented adequate internal controls over its handling of cash receipts and other payments. Such a review will include, at a minimum, the following: ▪ Determine whether the Court complied with the mandatory requirements in the FIN manual for internal controls over cash (payment) handling. ▪ Assess the quality of the Court's internal controls to minimize the potential for theft, such as controls over the use of manual receipts and voided transactions.	We obtained information from the Court regarding the types and average volume of collections at each of its payment collection locations. For selected locations, we observed the Court's practice for safeguarding and accounting for cash and other forms of payments from the public. For example, we reviewed and observed the Court's practice for: assigning cash drawers to cashiers at the beginning of the day, reviewing and approving void transactions, safeguarding and accounting for manual receipts, opening and processing mail payments, controlling access to change funds, overseeing the end-of-day balancing and closeout process, and preparing and accounting for the daily bank deposits.

3	Determine whether the Court demonstrated appropriate control over its non-personal services spending activities. Specifically, our review included the following: ▪ Determine whether the Court’s procurement transactions complied with the applicable requirements in the Judicial Branch Contracting Manual or the Trial Court Financial Policies and Procedures Manual. ▪ Determine whether the Court’s payment transactions—including but not limited to vendor payments and claim payments—were reasonable and in compliance with the Trial Court Financial Policies and Procedures Manual and applicable Judicial Council policies and rules.	We reviewed the Court’s assignment of purchasing and payment roles to assess whether it appropriately segregated staff roles for approving purchases, procuring the goods or services, receiving the goods, and paying for the goods or services. We judgmentally selected a sample of 25 procurement transactions and assessed whether each transaction: • Was properly authorized and approved by authorized court management. • Adhered to competitive bidding requirements, when applicable. • Had contracts, when applicable, that contained certain terms required to protect the Court’s interests. We selected a sample of 40 FY 2024-25 payments pertaining to various purchase orders, contracts, or in-court services and five travel expense claims. Our review determined whether: • The Court followed the 3-point match process to ensure goods and services were received and accepted, and the invoice agreed with the contract terms. • Appropriate court staff authorized payment. • The payment reasonably represented an allowable “court operations” cost per Rule of Court, Rule 10.810. • The payments for in-court service providers, travel expense claims, and business meals adhered to applicable Judicial Council policies.
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4	Determine whether the Court properly classified its year-end encumbrances for the most recent completed fiscal year. Determine whether the Court spent any funds the Judicial Council approved the Court to hold from prior year excess fund balance funds only for the purposes approved by the Judicial Council.	We obtained the Court's Year-End Encumbrance Calculation Worksheet for the most recently completed fiscal year at the time of our testing (FY 2024-25) and traced and verified year-end encumbrances to supporting records and the Phoenix accounting system. We obtained any Judicial Council-approved requests by the Court to hold excess prior year fund balances. To the extent that the Court had and spent any of these held funds, we verified that such spending was limited for the purposes previously approved by the Judicial Council.
5	Determine whether the Court accurately reports case filings data to the Judicial Council through the Judicial Branch Statistics Information System (JBSIS).	We obtained an understanding of the Court's process for reporting case filings data to the Judicial Council through JBSIS. For the most recent fiscal year for which the Judicial Council froze and used JBSIS data for funding allocations (FY 2024-25), we performed the following: • Obtained the relevant case filings data the Court reported to JBSIS and reconciled the reported new case filings counts to its underlying records of cases that support each reported case filing count, by case type, to validate that the Court accurately reported its case filings count data. • We selected 10 cases from six case types, for a total of 60 reported cases, and reviewed the relevant case file records to verify that the Court correctly applied the JBSIS definitions for reporting each case filing.

Assessment of Data Reliability

We obtained financial transaction data from the statewide accounting system used by the superior courts for the limited purpose of selecting transactions to test. We reconciled the data with the Court's total expenditures as noted on its trial balance report for the same period. Our analysis noted no material differences, leading us to conclude that use of the financial transaction data was sufficiently reliable for the limited purpose of selecting transactions for testing.