



# **Audit of the Superior Court of California, County of Yolo**

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SEPTEMBER 2025



Judicial Council of California

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## Superior Court of California, County of Yolo

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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, if any, 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 Yolo (Court) demonstrated compliance with many of the Judicial Council's requirements evaluated during the audit. Table 1 on the next page presents a summary of the audit's results.

The Court demonstrated consistent adherence with many of the different compliance requirements evaluated during the audit, as shown in Table 1. In particular, the Court demonstrated good compliance in the area of reporting year-end encumbrances. For example, our review of the Court's fund balance found that the Court properly disencumbered unneeded encumbrances at the end of the fiscal year for goods and services that it had already received by June 30, 2024.

However, our audit did identify seven reportable audit findings 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 seven findings are identified in Table 1 under the column "Reportable Findings" and include reference numbers indicating where the reader can view in further detail the specific findings and 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 end-of-day closeout process. For example, the Court does not follow a "blind closeout" process where cashiers count and record their collections on a recap form without any knowledge of the amounts the case management system (CMS) indicates they collected before submitting the form and collections to a supervisor or designated lead for verification. As a result, its current practice allows a cashier to know in advance when an overage occurs and potentially risks the cashier taking any overage without risk of detection. The Court indicated it agreed with our finding and recommendation in this area and implemented a revised process requiring a blind closeout in March 2025.

Table 1 – Audit Results At A Glance – California Superior Court, County of Yolo

Areas and Sub-Areas Subject to Review		Tested	Reportable Audit Findings		
			# of Findings	Finding Reference(s)	Court's View
Cash Handling					
1	Daily Opening Process	Yes	✓	2024-3-01	Agrees
2	Voided Transactions	Yes	✓		
3	Manual Receipts	Yes	1		
4	Mail Payments	Yes	✓		
5	Internet Payments	Yes	✓		
6	Change Fund	Yes	1	2024-6-01	Agrees
7	End-Of-Day Balancing and Closeout	Yes	1	2024-7-01	Agrees
8	Bank Deposits	Yes	✓	2024-9-01	Partially Agrees
9	Other Internal Controls	Yes	1		
Procurement and Contracts					
10	Procurement Initiation	Yes	1	2024-10-01	Partially Agrees
11	Authorization & Authority Levels	Yes	✓		
12	Competitive Procurements	Yes	✓		
13	Non-Competitive Procurements	Yes	✓		
14	Leveraged Purchase Agreements	Yes	✓		
15	Contract Terms	Yes	✓		
16	Other Internal Controls	Yes	✓		
Payment Processing					
17	3-Point Match Process	Yes	✓	2024-25-01	Disagrees
18	Payment Approval & Authority Levels	Yes	✓		
19	Special Rules - In-Court Service Providers	Yes	✓		
20	Special Rules - Court Interpreters	Yes	✓		
21	Other Items of Expense	Yes	✓		
22	Jury Expenses	Yes	✓		
23	Travel Expense Claims	Yes	✓		
24	Business-Related Meals	Yes	✓		
25	Allowable Costs	Yes	1		
26	Other Internal Controls	Yes	✓		
Fund Balance					
27	Year-End Encumbrances	Yes	✓		
28	Use of "Held on Behalf" Funds	N/A	-		
JBSIS Case Filing Data					
29	Validity of JBSIS Data	Yes	1	2024-29-01	Partially Agrees

Source: Auditor generated table based on testing results and court management's perspective.

Note: Areas subjected to testing are generally based on requirements in the Trial Court Financial Policies and Procedures Manual, the Judicial Branch Contracting Manual, or California Rules of Court, but may also include other Judicial Council policies and directives. Areas not tested are based on audit determinations—such as area was not applicable, recently reviewed by others, or no transactions were selected to review—which are described more fully in the Audit Scope and Methodology section of the report. Applicable criteria are cited in each audit finding (as referenced above) in the body of our report. The Judicial Council's audit staff determine the scope of each audit based on their professional judgment and the needs of the Judicial Council, while also providing courts with an opportunity to highlight additional areas for potential review depending on available audit resources.

**Summary Perspective of Court Officials**

Audit Services initiated its audit of the Court on December 11, 2024, and completed its fieldwork in July 2025. Audit Services shared the draft findings with the Court starting on March 25, 2025, and received the Court's final official responses on August 18, 2025. 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 17, 2025, 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 Yolo (Court) operates one court facility in the city of Woodland. 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 information in Table 2 is intended to provide the reader with context and perspective on the Court's relative size and workload compared to averages of all 58 superior courts.

Table 2 – Statistical Data for Yolo Superior Court and Average of all Superior Courts

Statistic	Yolo Superior Court	Average of All Superior Courts				
		Cluster 1 Courts	Cluster 2 Courts	Cluster 3 Courts	Cluster 4 Courts	All 58 Courts
Financial Highlights (Fiscal Year 2023-24)						
Total Revenue	\$ 22,375,005	\$ 3,376,457	\$ 15,000,011	\$ 57,522,113	\$ 293,144,702	\$ 59,889,520
Total Expenditures	\$ 22,772,284	\$ 3,494,275	\$ 15,091,980	\$ 57,533,804	\$ 293,520,524	\$ 60,009,333
Staff Salaries & Benefits	\$ 16,466,900	\$ 2,181,311	\$ 11,118,697	\$ 42,462,619	\$ 225,828,428	\$ 45,447,802
As a % of Total Expenditures	72.3%	62.4%	73.7%	73.8%	76.9%	75.7%
Judicial Officers and Staff (2025 Court Statistics Report)						
Judges	11	2	8	30	144	30
Commissioners/Referees	1	-	1	4	21	4
Non-Judicial Staff (approx.)	109	17	86	298	1,380	294
Total	121	19	95	332	1,545	328
New Case Filings (Fiscal Year 2023-24)						
Appeal Filings	199	10	82	154	217	98
Civil Filings						
Civil	2,911	356	2,487	11,390	75,156	13,954
Family Law	1,566	234	1,537	5,460	25,574	5,395
Juvenile Delinquency	84	34	166	776	1,988	520
Juvenile Dependency	188	27	164	461	3,267	623
Mental Health	369	19	226	1,428	9,413	1,709
Probate	310	55	321	1,097	5,182	1,097
Small Claims	261	34	257	1,058	7,195	1,336
Criminal Filings						
Felonies	1,446	225	1,149	3,853	13,188	3,177
Misdemeanors / Infractions	16,516	4,031	18,513	59,228	254,665	56,466
Total	23,850	5,025	24,902	84,905	395,845	84,375

Source: Financial and case filings data maintained by the Judicial Council. The date ranges differ for the above information due to the different sources of data. The financial data is from the Judicial Council's Phoenix financial system, the judicial officer and staff counts are from the most recent Court Statistics Report, and the case filing counts are from the Judicial Branch Statistical Information System data as of March 19, 2025, and may not agree with other reports as this data is continuously updated.

Note: The Judicial Council generally groups superior courts into four clusters and uses these clusters, for example, when analyzing workload and allocating funding to courts. According to past Judicial Council documents, the 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. Yolo Superior Court is a cluster 2 court.

**SCHEDULE OF AUDIT FINDINGS AND PLANNED CORRECTIVE ACTION**

## CASH HANDLING

### The Court Should Strengthen Its Controls Over Certain Payment Collection Processes

#### 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 mail payment processing and internet payments.

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

Finding Reference	Subject Area
2024-3-01	Manual Receipts – Inventory, Monitoring, and Accounting for Use
2024-6-01	Change Fund – Accountability
2024-7-01	End-of-Day Balancing and Closeout – Blind Closeout
2024-9-01	Other Internal Controls – Access to Safe

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#### FINDING REFERENCE: 2024-3-01

##### *MANUAL RECEIPTS – INVENTORY, MONITORING, AND ACCOUNTING FOR USE*

#### CRITERIA

FIN MANUAL, FIN 10.02, 6.3.9 MANUAL RECEIPTS:

4. Manual receipt book acquisition and control:
  - a. Trial courts should acquire manual receipt books centrally at each physical location and a designee should inventory the books when received.
  - iv. Unissued books should be inventoried periodically (at a minimum annually) with a record of the inventory maintained by the supervisor of the area responsible for the books.

- c. When acquired, the trial court must inspect the books to ensure all receipts are complete and in numerical sequence. The trial court fiscal office must log the books in a manual receipt book log that will contain information on each book that includes:
  - i. The book number;
  - ii. The numerical sequence of receipts (from and to receipt numbers) for each book;
  - iii. The date the book was issued to a court facility location supervisor;
  - iv. The name of the court facility and supervisor the book was issued to; and
  - v. The date the book was returned from the court facility location supervisor.
5. Issuance of manual receipt books by trial court to court facility supervisor:
  - a. When the court facility supervisor receives the manual receipt books, the facility supervisor must record each book on a log for the facility.
  - b. The log must include the date received, book number, and receipt number sequence (from and to receipt numbers).
6. Issuance of manual receipt book by court facility supervisor or his or her designee to cashiers:
  - a. The supervisor or his or her designee must maintain control and oversight of the manual receipt books. When the cashiering system and/or case management system is not available to process automated receipts, the supervisor or designee will retrieve and issue books of prenumbered receipts to cashiers. Manual receipt books should only be used when the cashiering system and/or case management system is down.
  - b. The supervisor or his or her designee issuing the prenumbered manual receipt books must monitor and maintain an accounting of the receipt books, including:
    - i. The receipt books issued;
    - ii. To whom the receipt book was issued;
    - iii. The date issued;
    - iv. The name of the person returning the book;
    - v. The date the books were returned (should be the end of the same day); and
    - vi. The receipt numbers used within each book.

## **CONDITION**

The Court's payment collection locations do not maintain logs to monitor and inventory the locations' assigned manual receipt books. According to court staff, the Fiscal division maintains the records related to the issuance of manual receipt books. However, the FIN Manual requires court locations to maintain a log that includes the date the manual receipt books are received from Finance, the receipt book numbers, the receipt number sequence in each book, the date the completely used books are returned to Finance, and the name of the supervisor returning the books.

Additionally, the Court's payment collection locations do not maintain a log to monitor and account for the locations' use of their manual receipt books. The FIN manual requires location supervisors to maintain control and oversight of the manual receipt books, and to monitor and maintain an accounting of each book issued, to whom the book was issued, the date issued, the

person returning the book, the date returned, and the receipt numbers used. According to court staff, copies of the manual receipts are left in the book to document that the manual receipt was used. Nonetheless, when courts do not monitor and maintain an accounting of their manual receipt books, they are at increased risk that staff may use manual receipts inappropriately and possibly without clear accountability of who used the manual receipts.

### **RECOMMENDATION**

The Court should ensure its payment collection locations maintain control and oversight of their manual receipt books, including keeping an accurate inventory of all manual receipt books and a detailed log to monitor and maintain an accounting of the receipts books and receipts numbers used.

### **COURT'S VIEW AND CORRECTIVE ACTION PLAN**

Agreed. The Court has implemented a comprehensive logging system, effective April 7, 2025, to ensure proper control and oversight of manual receipt books at all payment collection locations. The log includes the date each manual receipt book is received by Fiscal, the associated receipt book numbers, and the receipt number sequence for each book. It also records the return date of completed books and the name of the supervisor returning them. Additionally, the log tracks to whom each book is issued, the date of issuance, the individual returning the book, the date of return, and the receipt numbers used. To support successful implementation, the Court communicated the new procedures to all relevant staff and provided training on the proper maintenance and use of the log. These measures have been established to align with FIN Manual requirements and to ensure accountability, transparency, and consistent oversight in the use of manual receipts.

**Response provided on 05/01/2025 by:** Christy Galindez, Court Operations Manager

**Date of Corrective Action:** 04/07/2025

**Responsible Person(s):** Christy Galindez, Court Operations Manager; Wendi Van Dam, Court Operations Supervisor; Mia Potts, Court Operations Supervisor; Brandi Gutierrez, Court Operations Supervisor

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### **FINDING REFERENCE: 2024-6-01**

*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.
7. At the end of each business day, individuals responsible for making change from the Cash Change Fund must—in the presence of a court manager, supervisor, or his or her designee—count, verify, and reconcile the Change Fund monies to the day's beginning balance, and initial and date the verification/reconciliation.

### **CONDITION**

Although the Court currently maintains change funds ranging between \$200 and \$900 at its various payment collection locations and the Fiscal division, it does not require individuals responsible for making change from the change funds to count and verify the change funds at the end of each day while in the presence of a manager or supervisor. Instead, we found that court staff only count and verify the change funds when change is made from them. This results in the change funds potentially not being counted and verified every day. However, the FIN Manual requires individuals responsible for making change from the change funds to count, verify, and reconcile the change funds in the presence of a manager or supervisor at the end of the day. As a result, the Court's current practice of not counting and verifying its change funds on a daily basis in the presence of two people, as required by the FIN Manual, potentially allows a change fund shortage to occur without clear accountability of when the shortage may have occurred or who may have caused the shortage.

Furthermore, the CEO or his or her designee has not officially appointed a change fund custodian, who has no other cash handling responsibilities, to oversee the \$900 change fund maintained by the Fiscal division. Specifically, the Fiscal Manager, who has no other cash handling responsibilities, was appointed as the change fund custodian for the Fiscal division's change fund; however, the Court does not have documentation supporting the official appointment of the change fund custodian. Additionally, the Court did not conduct an audit of the funds, and the CEO did not complete a Change Fund Change of Custodian Form when the change fund was transferred from the previous Fiscal Manager to the current Fiscal Manager. According to court management, they were unaware of this FIN manual requirement. Nonetheless, the FIN Manual requires the CEO, or his or her designee, to appoint a custodian for each change fund that is \$500 or more who is not a cashier or have cash handling duties, and to provide the custodian with a copy of the FIN Manual policy to ensure the custodian understand the requirements applicable to change funds. As a result, the Court is at risk of staff inappropriately using the change fund as no one individual has been delegated specific written overall responsibility for the change fund.

### **RECOMMENDATION**

To reduce the risk of prolonged unaccountable change fund shortages or overages, the Court should ensure that individuals responsible for making change from the change funds count, verify, and reconcile the change fund monies to the day's beginning balance at the end of each business day in the presence of a court manager, supervisor, or designee. Additionally, the CEO

or his designee should officially appoint a change fund custodian to maintain responsibility for any change funds of \$500 or more.

### **COURT'S VIEW AND CORRECTIVE ACTION PLAN**

Agreed. The Court was previously unaware of the FIN Manual requirement to count and verify change funds at the end of each business day, including on days when the funds were not used. Upon becoming aware of this requirement, the Court promptly revised its procedures, effective March 28, 2025, implemented a daily count and verification of each Operations change fund, excluding the Fiscal change fund. This process is now conducted at the close of each business day in the presence of a supervisor or manager, as required.

The Court is in the process of submitting a Request for Alternative Procedure regarding the Fiscal division's change fund to align with what is operationally feasible for the department. Additionally, the Court was unaware that the creation of a new change fund exceeding \$500 triggered the requirement for a formal custodian appointment. As this is the Court's first change fund of this size, the oversight was unintentional. Moving forward, the Court will ensure that a designated custodian is officially appointed in writing for any change fund of \$500 or more, and that a Change Fund Custodian Form is completed and maintained in accordance with the FIN Manual.

**Response provided on 05/13/2025 by:** Christy Galindez, Court Operations Manager; Meagen Reveles Kuntz, Fiscal Manager

**Date of Corrective Action:** 03/28/2025

**Responsible Person(s):** Christy Galindez, Court Operations Manager; Meagen Reveles-Kuntz, Fiscal Manager; Wendi Van Dam, Court Operations Supervisor; Mia Potts, Court Operations Supervisor; Brandi Gutierrez, Court Operations Supervisor

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### **FINDING REFERENCE: 2024-7-01**

*END-OF-DAY BALANCING AND CLOSEOUT – BLIND CLOSEOUT*

### **CRITERIA**

FIN MANUAL, FIN 10.02, 6.3.10 DAILY BALANCING AND CLOSEOUT:

1. At the end of each workday, each cashier and the designated supervisor, or designee, must balance the payments collected in his or her individual cash drawer/bag with the payments and collections recorded in the cashiering system and/or automated case management system. Cashiers may not leave the premises or transact new business until the daily balancing and closeout processes are complete.
2. The balancing and closeout process includes the following steps:
  - a. The cashier completes and signs the recap of daily collections report independent of information contained in the case management daily collections report; attaches a calculator tape for checks; and submits the report, collections, and beginning cash to the supervisor or his or her designee for verification.

- b. The supervisor or his or her designee verifies in the presence of the cashier that the beginning cash is fully accounted for and the submitted collections balance with the recap of daily collections report.
- c. The supervisor or his or her designee then verifies that the submitted collections balance with the associated payments and collections reported on the cashier's case management system daily collections closeout report.
- d. If the collections balance with the amounts in the case management system, the cashier and supervisor or his or her designee must both sign and date the case management system daily collections closeout report.

### **CONDITION**

The Court does not require cashiers to follow what is commonly known as a "blind closeout" process when performing their end-of-day closeout. A "blind closeout" is where cashiers count and record their collections on a recap form without any knowledge of the amounts the CMS indicates they collected, before submitting the form and collections to a supervisor or designated lead for verification against the recap form and the CMS collections reports. Instead, we observed cashiers counting and comparing their daily collection totals against CMS totals before submitting their daily collections to managers or designated leads for verification. As a result, the Court's current practice allows a cashier to know in advance when an overage occurs and potentially risks the cashier taking any overage without risk of detection of the missing overage amount when the designated supervisor verifies the end-of-day collections to the CMS reports because all amounts would still balance. According to the Court, it believes that during the latest systems upgrade, the blind closeout function was possibly removed from the CMS. The Court stated it will update its procedures and retrain staff to ensure compliance.

### **RECOMMENDATION**

To better safeguard its funds and ensure clear accountability for shortages and overages, the Court should require its cashiers to complete their recap of the collections in their till at the end of each workday without knowledge of the CMS collections, a "blind closeout." Afterwards, cashiers should submit their completed recap report and collections to designated management staff for verification of their collections to the recap report, and then complete the verification process by verifying the recap report to the CMS collections closeout report.

### **COURT'S VIEW AND CORRECTIVE ACTION PLAN**

Agreed. Upon learning that the "blind closeout" process was not being followed, the Court took immediate action to address the issue. The Court was under the impression that the Case Management System (CMS) had a built-in blind closeout feature, which may have been inadvertently removed during a recent system upgrade. Once this was discovered, the Court promptly updated its end-of-day till balancing procedure. On March 7, 2025, the Court implemented a revised process that mandates cashiers complete a blind closeout count of their collections before proceeding with the reconciliation within the CMS. This ensures that cashiers will no longer have prior knowledge of the CMS totals during their count, promoting accountability and minimizing the potential for discrepancies. Additionally, the Court has provided clear instructions and comprehensive training for staff to ensure adherence to the updated process moving forward.

**Response provided on 05/07/2025 by:** Christy Galindez, Court Operations Manager

**Date of Corrective Action:** 03/07/2025

**Responsible Person(s):** Christy Galindez, Court Operations Manager; Wendi Van Dam, Court Operations Supervisor; Mia Potts, Court Operations Supervisor; Brandi Gutierrez, Court Operations Supervisor

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**FINDING REFERENCE: 2024-9-01**

*OTHER INTERNAL CONTROLS – ACCESS TO SAFE*

**CRITERIA**

FIN MANUAL, FIN 10.02, 6.1.1 USE OF SAFES AND VAULTS:

3. When using safes and vaults, the following procedures must be followed:
  - d. The court executive officer or his or her designee will maintain a record showing the following information:
    - i. The date the combination was last changed; and
    - ii. The names of persons knowing the current combination.
  - e. The trial court should change the combination when any of the following occur:
    - i. The combination becomes known to an excessive number of trial court employees;
    - ii. A trial court employee with knowledge of the combination separates from employment in the trial court;
    - iii. A trial court employee with knowledge of the combination no longer requires the combination in the performance of his or her duties; or
    - iv. The time interval (defined by the trial court) during which the combination must remain valid has expired.

**CONDITION**

Contrary to the FIN Manual, the Court does not maintain a record of when the combinations to its safes were last changed or of the names of persons knowing the present safe combinations. Specifically, the Court does not maintain a record for either its operations safe or its fiscal safe, which are both maintained by the Fiscal division. However, the FIN Manual requires courts to maintain records showing when the combinations to its safes were last changed and the names of persons knowing the present safe combinations. According to court management, new management staff took over in January 2025 and they were unable to find any records related to the safes. Furthermore, the Court does not change the safe combination when an employee having knowledge of the combination separates from the court, or on a periodic basis as defined by the Court. Court management stated that the combination would only be changed if an employee remained with the court, but their duties no longer required them to know the safe combination. If an employee leaves, their badge would be deactivated, and they would not be able to access the building or the cash room. Nevertheless, when the Court does not maintain records related to its safe combinations, or change the combinations in accordance with the FIN Manual, the Court may leave itself vulnerable to theft or loss of cash or other valuables by

individuals with knowledge of the safe combination and who have unauthorized access to its safe.

**RECOMMENDATION**

To ensure it properly safeguards the contents of its vault and safes, the Court should maintain a record showing the date the combinations were last changed and the names of the persons knowing the current combinations for its vault and safes. The Court should also ensure it changes the combinations to its vault and safes in accordance with FIN Manual guidance.

**COURT'S VIEW AND CORRECTIVE ACTION PLAN**

Partially agreed. The Court has created a log to maintain records of when the combination was last changed and to track the individuals who currently have access to the combination.

The Court respectfully disagrees with the recommendation regarding the practice of changing safe combinations. The FIN Manual uses the term "should" when outlining instances for changing combinations, which we interpret as guidance rather than a mandatory requirement. While we acknowledge that changing the combination is a best practice, the Court applies a risk-based approach to determine when such changes are appropriate. The Court has several security measures in place to control access to the safe, including restricted badge access to authorized employees only. Although the Court did not interpret the listed occurrences in the manual as requirements, we recognize the value of aligning our internal procedures with FIN Manual guidance and will update accordingly.

**Response provided on 05/14/2025 by:** Meagen Reveles Kuntz, Fiscal Manager

**Date of Corrective Action:** 05/15/2025

**Responsible Person(s):** Meagen Reveles Kuntz, Fiscal Manager

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## PROCUREMENT AND CONTRACTS

### The Court Complies with Most Applicable Requirements for Procuring Goods and Services, But Should Ensure it Consistently Uses Purchase Requisitions

#### **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**

The Court demonstrated compliance in various of the procurement areas we evaluated during our audit, including demonstrating good management practices overall in the areas of non-competitive procurements, soliciting competitive procurements, and entering into leveraged purchase agreements.

Nevertheless, we identified one audit finding that we believe requires the Court's corrective action. The finding pertains to the following specific area of procurement:

Finding Reference	Subject Area
2024-10-01	Procurement Initiation

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#### **FINDING REFERENCE: 2024-10-01**

#### *PROCUREMENT INITIATION*

**CRITERIA****JUDICIAL BRANCH CONTRACTING MANUAL, CHAPTER 2, 2.1 FORMULATING THE PROCUREMENT APPROACH, C:**

The Buyer's first step in the planning and scheduling of a procurement effort is the initial review of a purchase request. Reviewing the request in terms of the following information will assist the Buyer in determining any impact to the procurement planning and scheduling activities.

1. Internal review and approvals: Consider the following:

- Have the proper approval signatures been obtained to conduct the procurement in conformance with the Judicial Branch Entity's Local Contracting Manual?
- Is the request in compliance with applicable equipment standards?
- Is there documentation in sufficient detail to support and justify conducting the procurement?

**CONDITION**

The Court does not consistently document or require purchase requisitions to demonstrate that an authorized approver reviewed and approved the purchase request before commencing the solicitation and procurement process. For eight of the 20 procurement transactions reviewed for which we expected to see a purchase request, the Court did not document or require a purchase request and management approval of the request prior to commencing the procurement. Specifically, for seven procurement transactions we reviewed ranging between \$246 and \$57,373 related to office supplies, software licensing, printing services, shredding services, and equipment leases, the Court did not have a purchase request on file. Additionally, for one procurement transaction related to security services in the amount of \$688,992, the Court provided a "Request for Shared Procurement Services" document which it believed qualified as a purchase request. However, the document was used to request procurement assistance from the Superior Court of Los Angeles County and lacks information required by the JBCM for a purchase request, such as the approval from court staff with delegated authority to approve purchase requests.

According to court management, the Court does not have a consistent framework in place for the documentation and approval of purchase requests, and is currently developing a process for the requirement and approval of purchase requests. The use of a purchase request form that describes the requested items, documents the approval to purchase, and that is stored in the procurement file would help the Court better demonstrate that authorized court management considered and approved purchase requests before commencement of the procurement process. When the Court does not consistently document its purchase requests and authorizations, it risks the appearance that it is making purchases that may not be appropriate or not allowed and not in its best interests.

**RECOMMENDATION**

To ensure it can demonstrate that its purchases are appropriately justified, funded, and approved, the Court should take more formal steps to ensure it consistently obtains and documents in its

procurement files the approved purchase requests prior to its staff starting the purchasing activity.

### **COURT'S VIEW AND CORRECTIVE ACTION PLAN**

The Court partially agrees with this finding. While the Court acknowledges that a formal and consistent documentation process for purchase requisitions was not in place for all transactions reviewed, we emphasize that all purchases were authorized prior to procurement and followed internal approval protocols. In practice, approval was obtained through various means, including:

- Verbal authorization for lower-value purchases, followed by documentation during the payment process
- Direct requests from the CEO or ACEO, both of whom have the authority to approve procurements
- Signed vendor quotes, indicating pre-purchase authorization
- Recurring expenses that were pre-approved as part of standing arrangements or contracts.

We recognize, however, that these approvals were not consistently documented in a centralized or standardized format, such as a formal purchase requisition form. We acknowledge that this inconsistency may give the appearance of non-compliance or insufficient oversight. To address this, the Court is in the process of implementing a standardized purchase requisition process to ensure consistent documentation of all procurement approvals moving forward. While this process is being finalized, interim measures have been put in place to ensure all purchase approvals are clearly documented in writing prior to initiating procurement activities. This includes collecting written authorizations, signed quotes, and approval emails to demonstrate compliance. These actions are intended to strengthen internal controls, enhance transparency, and ensure full compliance with JBCM requirements.

**Response provided on 08/15/2025 by:** Meagen Reveles Kuntz, Fiscal Manager

**Date of Corrective Action:** Fiscal Year 2025-26

**Responsible Person(s):** Shawn Landry, CEO; Cathleen Berger, ACEO; Meagen Reveles Kuntz, Fiscal Manager

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## **PAYMENT PROCESSING**

### **The Court Should Consider Alternative Means of Funding Certain Activities**

#### **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 payment approval and authority levers, other items of expense, and jury expenses. Nevertheless, we identified one audit finding in the payment processing area that we believe requires the Court's corrective action. This finding pertains to the following specific area of payment processing:

<b>Finding Reference</b>	<b>Subject</b>
2024-29-01	Allowable Costs – Unallowable Rule 10.810 Expenses

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#### **FINDING REFERENCE: 2024-10-01**

*ALLOWABLE COSTS – UNALLOWABLE RULE 10.810 EXPENSES*

#### **CRITERIA**

CALIFORNIA RULES OF COURT, RULE 10.810, COURT OPERATIONS:

a. Definition

Except as provided in subdivision (b) and subject to the requirements of subdivisions (c) and (d), "court operations" as defined in Government Code section 77003 includes the following costs:

5. (*services and supplies*) operating expenses in support of judicial officers and court operations;

b. Exclusions

8. equipment and supplies for use by official reporters of the courts to prepare transcripts as specified by statute; and

### CONDITION

The Court has not always ensured that its expenses are allowable under Rules of Court, Rule 10.810. Specifically, we determined that for five of the 40 payment transactions we reviewed, the Court purchased goods that are not Rule 10.810 allowable. Specifically, for three payment transactions totaling over \$7,000, the Court reimbursed court reporters for court reporter-related equipment such as a stenograph machine, a laptop, a software subscription, and computer damage coverage. According to court management, a fiscal year 2022-23 JCC budget memo included amended language relating to court reporter funding and allowed courts to use court reporter funds for recruitment and retention purposes. Therefore, the Court approved the equipment reimbursement program using a portion of these funds as an incentive to hire and retain court reporters. However, this fiscal year 2022-23 budget memo did not apply to the fiscal year under review, fiscal year 2023-24. Additionally, CA Rules of Court 10.810(b)(8) expressly disallows the use of court operation funds for court reporter equipment and supplies used by official reporters of the courts to prepare transcripts.

Furthermore, for two other payment transactions totaling over \$4,200, the Court paid for two mini fridges, bento boxes and candy for court staff, and Amazon gift cards for a costume contest. According to court management, the mini fridges were for the executive office and judges' chambers, and the bento boxes were purchased as staff appreciation gifts. Additionally, Court management stated that the Court held a staff appreciation event in the form of a Halloween costume contest in 2023 where the candy items were distributed to participants, and winning contestants and groups were awarded the Amazon gift cards. Although the Court's purchase of these items to help maintain or improve employee morale may be considered an acceptable management practice, its use of public court funds to purchase the mini fridges, awards, and gifts are not Rule 10.810 allowable. As a result of these practices, the Court is vulnerable to public criticism regarding its use of public court funds, and the Court may want to consider other means to pay for these awards and gifts.

### RECOMMENDATION

To ensure the Court pays only costs that are reasonable and allowable, it should consider providing training and instruction to court staff—particularly court management and accounts payable staff—to ensure that payments are clearly for allowable court operations costs as defined in California Rules of Court, rule 10.810. Also, to limit the risk of the public or other entities questioning the Court's use of public funds for employee morale-building events, the Court should consider alternative means of funding such items and activities. One approach the Court

could consider would be to collect voluntary contributions from court employees (or management) during the year to pay for these items and activities.

### **COURT'S VIEW AND CORRECTIVE ACTION PLAN**

The Court respectfully disagrees with this finding. AB 102 expressly authorizes the use of allocated funds for recruitment and retention purposes, including signing and retention bonuses for fiscal year 2023-24. The Court implemented a program structured as an equipment reimbursement initiative to encourage court reporters to maintain or upgrade essential tools. While the format was framed as reimbursement, the underlying objective was to provide a financial incentive for retention, consistent with the intent of AB 102. The Court acknowledges that structuring the incentive as a reimbursement rather than a direct retention bonus created a technical compliance issue with California Rule of Court 10.810. However, the reimbursements were made in good faith as part of a broader, strategic effort to support court reporter retention. These expenditures were limited to fiscal year 2023–24 and the Court will not utilize this method going forward.

Regarding expenditures related to staff appreciation, Rule 10.810 does not explicitly prohibit such expenditures, nor does it clearly delineate the scope of permissible activities intended to support staff morale and engagement. The Court considered the provision of bento boxes and gift cards as part of formal staff recognition events—intended not as personal gifts, but as efforts to foster a positive workplace culture. Similarly, mini fridges were purchased to enhance functionality in chambers and administrative offices. These expenditures were neither routine nor made casually. They were approved only when fiscal conditions allowed and after core operational needs had been met. While the Court remains committed to careful stewardship of public funds and maintaining public trust, these actions were undertaken in good faith to support staff well-being, performance, and retention.

**Response provided on 08/13/2025 by:** Meagen Reveles Kuntz, Fiscal Manager

**Date of Corrective Action:** None

**Responsible Person(s):** Shawn Landry, CEO; Cathleen Berger, ACEO; Meagen Reveles Kuntz, Fiscal Manager

### ***AUDIT SERVICES' COMMENTS ON COURT'S VIEW***

To provide clarity and perspective, we are commenting on the Court's response. Although AB 102 does authorize the use of allocated funds for recruitment and retention purposes, the Court's format for the recruitment and retention via reimbursement of court reporter equipment and supplies goes directly against CA Rules of Court 10.810(b)(8), as noted above. Additionally, while we agree that enhancing functionality for court staff via fridges, and morale building activities—such as holiday parties and similar events—are an effective way to help maintain worker productivity and overall engagement, paying for such activities or items with public funds unnecessarily exposes the Court to criticism for how it is spending money that is otherwise designated for court operations and the benefit of the public. While we recognize that the amounts spent by the Court in this case are relatively modest, the point of our recommendation was to suggest an alternative way for the Court to fund these types of activities and items in the future.

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## **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 2023-24 calculation form with valid contracts for goods or services not received by June 30, 2024. Finally, we did not review its use of any excess funds because the Court has not requested the Judicial Council to hold any such funds on its behalf.

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## 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 maintained documentation to support the JBSIS case filings data it submitted to the Research, Analytics and Data Office. Nevertheless, our review identified one JBSIS related audit finding that we believe requires the Courts continuous monitoring. This finding pertained to the following specific area of the JBSIS case filings data:

Finding Reference	Subject
2024-29-01	JBSIS Data Quality – Case Filing Counts and Data

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#### FINDING REFERENCE: 2024-29-01

##### *JBSIS DATA QUALITY – CASE FILING COUNTS AND DATA*

#### CRITERIA

CALIFORNIA RULES OF COURT, RULE 10.400, JUDICIAL BRANCH STATISTICAL INFORMATION SYSTEM:

Consistent with article VI, section 6 of the California Constitution and Government Code section 68505, the Judicial Branch Statistical Information System (JBSIS) is established by the Judicial Council to provide accurate, consistent, and timely information for the judicial branch...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.

## JUDICIAL BRANCH STATISTICAL INFORMATION SYSTEM MANUAL – VERSION 3.0, APPENDIX H—DATA QUALITY ASSURANCE:

### Error Quantification and Acceptable Error Rates

The error rate is determined by the difference of the reported value and the correct value, divided by the reported value. The magnitude of the error relative to the number of filings in a given period affected determines how courts should remedy the error. The JBSIS subcommittee determined that a 2% error rate met the criteria of being rigorous enough to ensure high data quality without posing an undue burden for courts.

The committee determined that an error rate of 2% or more in any one data element for a specific case type or cumulative across case types for one data element—limited at this time to filings, dispositions, trials, and time to disposition, when reported—should be established as the threshold above which courts must submit amended data correcting the report and that amended reports to resolve the error must be submitted within 60 days of error discovery.

### **CONDITION**

Although the Court reported to JBSIS a materially accurate total count of 23,638 new case filings in fiscal year 2023-24, the count did not always agree to the number of filings supported by case type reports. Audit Services reviewed the underlying court records supporting its reported case counts for fiscal year 2023-24 and found variances greater than 2% for the following RAS case categories: 06a Family Law – Parentage, 06a Family Law – Other, 11a Misdemeanor – Traffic, 11a Misdemeanor – Non-Traffic, and 13a Small Claims. Variances greater than 2% ranged from 2.68% to 94.47%. According to the Court, the variances were due to a variety of factors. Specifically, some cases were reported under the wrong case category or fiscal year, some cases were reclassified in the CMS after they had been reported to JBSIS, and some variances were due to system limitations in how the CMS summarizes misdemeanor case types.

Furthermore, we found the Court reported four 06a Family Law – Domestic Violence cases and one 10a Mental Health case under the incorrect case type data elements. Specifically, the Court reported the four 06a Family Law – Domestic Violence cases under JBSIS data element 80 – Domestic Violence Prevention with Minor Children; however, for three of the cases, the petitioner did not report having minor children of the relationship with the respondent, so these cases should have been reported under JBSIS data element 90 – Domestic Violence Prevention without Minor Children. For the fourth case, the petitioner did not include the minor(s) as part of the protection order. According to Court management, if any children are listed on the Domestic Violence petitions, the cases are created as a Domestic Violence Prevention with Minor Children regardless of whether they are between the petitioner and the respondent. However, the JBSIS Manual states that family law case types based on a Request for Domestic Violence Order seeking protection under the Domestic Violence Prevention Act should only be reported under JBSIS data element 80 if there are minor children of the relationship.

Finally, for the 10a Mental Health case, the Court reported the case as a Certification under JBSIS data element 210 – Certification Welfare and Institutions code §5250. However, the petition filed was actually for Writ of Habeas Corpus, which should be classified as JBSIS data element 260 – Other Mental Health. According to Court management, the case was erroneously categorized as a Certification but has since been updated to reflect Other Mental Health.

Nonetheless, when courts do not classify and report case filings correctly, not only may the Judicial Council report flawed JBSIS case filings data to internal and external stakeholders, they may also use filings data that can negatively affect the annual budget allocations of both the Court and/or other superior courts.

**RECOMMENDATION**

To ensure it is doing all it reasonably can to ensure accurate and complete JBSIS reporting, the Court should do the following:

- Resubmit updated case filings data to JBSIS for fiscal year 2023-24 via an amended report.
- Provide training to clarify for staff certain JBSIS case type definitions and the required case file records.

**COURT'S VIEW AND CORRECTIVE ACTION PLAN**

Partially agreed. The Court acknowledges that a limited number of cases were categorized incorrectly and appreciates the feedback provided. The Court believes that the discrepancies identified were largely due to the loss of historical JBSIS data in the Court's case management system during a system wide upgrade. As a result, auditors had to rely on system generated reports that are not as granular as the JBSIS reports. As such, discrepancies may appear when comparing the two, even when the overall totals remain accurate.

While we strive for accuracy in all data reporting, the audit identified only a small number of errors relative to the total volume of more than 23,000 cases filed during fiscal year 2023-24. Given the high volume and complexity of filings, some level of human error is to be expected. Nonetheless, the Court is committed to continuous improvement and will provide ongoing training to staff to reinforce accurate classification based on JBSIS case type definitions and applicable reporting guidance.

Regarding the recommendation to resubmit updated case filings data to JBSIS for fiscal year 2023-24 via an amended report, the Court does not intend to do so. This process would require deletion of two fiscal years' worth of JBSIS reports in order to re-run and resubmit the fiscal year 2023-24 data.

**Response provided on 08/18/2025 by:** Christy Galindez, Court Operations Manager

**Date of Corrective Action:** None

**Responsible Person(s):** Cathleen Berger, Assistant Court Executive Officer; Christy Galindez, Court Operations Manager

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## **APPENDIX – AUDIT SCOPE AND METHODOLOGY**

Audit Services initiated an audit of the Superior Court of California, County of Yolo (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) 2023-24, 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

	<b>Audit Objective</b>	<b>Method</b>
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	<p>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:</p> <ul style="list-style-type: none"> <li>▪ Determine whether the Court complied with the mandatory requirements in the FIN manual for internal controls over cash (payment) handling.</li> <li>▪ 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.</li> </ul>	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 appropriately segregating incompatible duties, 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	<p>Determine whether the Court demonstrated appropriate control over its non-personal services spending activities. Specifically, our review included the following:</p> <ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</li> </ul>	<p>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.</p> <p>We judgmentally selected a sample of 25 procurement transactions and assessed whether each transaction:</p> <ul style="list-style-type: none"> <li>• Was properly authorized and approved by authorized court management.</li> <li>• Adhered to competitive bidding requirements, when applicable.</li> <li>• Had contracts, when applicable, that contained certain terms required to protect the Court’s interests.</li> </ul> <p>We selected a sample of 40 FY 2023-24 payments pertaining to various purchase orders, contracts, or in-court services, 10 travel expense claims, and 10 business-related meal expenses, and determined whether:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Appropriate court staff authorized payment.</li> <li>• The payment reasonably represented an allowable “court operations” cost per Rule of Court, Rule 10.810.</li> <li>• The payments for in-court service providers, travel expense claims, and business meals adhered to applicable Judicial Council policies.</li> </ul>
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4	<p>Determine whether the Court properly classified its year-end encumbrances for the most recent completed fiscal year.</p> <p>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.</p>	<p>We obtained the Court's Year-End Encumbrance Calculation Worksheet for the most recently completed fiscal year at the time of our testing (FY 2023-24) and traced and verified year-end encumbrances to supporting records and the Phoenix accounting system.</p> <p>The Court has not requested to hold any funds on its behalf in either the current or the previous fiscal year. As a result, no further review was deemed necessary.</p>
5	<p>Determine whether the Court accurately reports case filings data to the Judicial Council through the Judicial Branch Statistics Information System (JBSIS).</p>	<p>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 2023-24), we performed the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

### 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.