



JUDICIAL COUNCIL OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

TRIAL COURT BUDGET ADVISORY COMMITTEE

MATERIALS FOR MARCH 21, 2019

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JUDICIAL COUNCIL OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

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TRIAL COURT BUDGET ADVISORY COMMITTEE

NOTICE AND AGENDA OF OPEN IN-PERSON MEETING

Open to the Public (Cal. Rules of Court, rule 10.75(c)(1) and (e))

THIS MEETING IS BEING RECORDED

Date: March 21, 2019
Time: 10:00 a.m. - 2:00 p.m.
Location: 455 Golden Gate Avenue, San Francisco, CA 94102
(Redwood Room)
Public Call-in Number: 1-877-820-7831; Passcode 1884843 (Listen Only)

Meeting materials will be posted on the advisory body web page on the California Courts website at least three business days before the meeting.

Members of the public seeking to make an audio recording of the meeting must submit a written request at least two business days before the meeting. Requests can be e-mailed to [insert e-mail address].

Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order.

I. OPEN MEETING (CAL. RULES OF COURT, RULE 10.75(C)(1))

Call to Order and Roll Call

Approval of Minutes

Approve minutes of the February 19, 2019 Trial Court Budget Advisory Committee meeting.

II. PUBLIC COMMENT (CAL. RULES OF COURT, RULE 10.75(K)(1)-(2))

In-Person Public Comment

Members of the public requesting to speak during the public comment portion of the meeting must place the speaker's name, the name of the organization that the speaker represents if any, and the agenda item that the public comment will address, on the public comment sign-up sheet. The sign-up sheet will be available at the meeting location at least one hour prior to the meeting start time. The Chair will establish speaking limits at the beginning of the public comment session. While the advisory body welcomes and

encourages public comment, time may not permit all persons requesting to speak to be heard at this meeting.

Written Comment

In accordance with California Rules of Court, rule 10.75(k)(1), written comments pertaining to any agenda item of a regularly noticed open meeting can be submitted up to one complete business day before the meeting. For this specific meeting, comments should be e-mailed to tcbac@jud.ca.gov or mailed or delivered to Judicial Council of California, 455 Golden Gate Avenue, San Francisco, CA 94102, attention: Ms. Brandy Sanborn. Only written comments received by 10:00 a.m. on March 20, 2019 will be provided to advisory body members prior to the start of the meeting.

III. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEMS 1-6)

Item 1

Children's Waiting Room Report (Action Required)

Recommendation of the Fiscal Planning Subcommittee on continued receipt of Children's Waiting Room funds for Contra Costa Superior Court.

Presenter(s)/Facilitator(s): Ms. Melissa Ng, Senior Analyst, Judicial Council Budget Services

Item 2

Adjustments to Council Approved 2018-19 Allocations from the State Trial Court Improvement and Modernization Fund (IMF) (Action Required)

Recommendation of the Revenue and Expenditure Subcommittee on an IMF augmentation to the 2018-19 allocations for the Judicial Council Information Technology office Jury Management Program.

Presenter(s)/Facilitator(s): Mr. Jason Haas, Senior Analyst, Judicial Council Budget Services

Item 3

All Funding Sources and Operating Expenses & Equipment (OE&E) Inflationary Factor (Action Required)

Recommendation of the Funding Methodology Subcommittee on funding sources that should be factored into the WAFM and an inflationary factor for OE&E incorporated into the model.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council Budget Services

Item 4

Outcomes for New Funding Provided in the Budget Act of 2018 (Action Required)

Recommendation of the Funding Methodology Subcommittee on the reporting requirement for the outcomes for the new funding provided in the Budget Act of 2018.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council
Budget Services

Item 5

Updates to the Workload-based Allocation and Funding Methodology (WAFM) Adjustment Request Procedures (ARP) (Action Required)

Recommendation of the Funding Methodology Subcommittee on updates to the existing process to request adjustments to WAFM.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council
Budget Services

Item 6

2020-21 ARP Submissions (Action Required)

Review and referral of 2020-21 ARP submissions.

Presenter(s)/Facilitator(s): Ms. Leah Rose-Goodwin, Manager, Judicial Council
Budget Services

IV. INFORMATION ONLY ITEMS (NO ACTION REQUIRED)

Info 1

Judicial Council Advisory Committee on Audits and Financial Accountability Letter

Discuss letter submission to the Trial Court Budget Advisory Committee from the Advisory Committee on Audits and Financial Accountability for the Judicial Branch regarding encumbrance policies.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget
Advisory Committee
Ms. Rebecca Fleming, Vice Chair, Trial Court Budget
Advisory Committee

V. ADJOURNMENT

Adjourn



JUDICIAL COUNCIL OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

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TRIAL COURT BUDGET ADVISORY COMMITTEE

MINUTES OF OPEN MEETING

February 19, 2019

10:00 a.m. – 2:00 p.m.

Veranda Room A&B, 2860 Gateway Oaks, Sacramento, CA 95833

Advisory Body Members Present: Judges: Hon. Jonathan B. Conklin (Chair), Hon. Jeffrey B. Barton, Hon. Andrew S. Blum (phone), Hon. Daniel J. Buckley, Hon. Mark A. Cope, Hon. Jill C. Fannin (phone), Hon. Teri L. Jackson, Hon. Charles Margines, and Hon. Gary Nadler.

Executive Officers: Ms. Rebecca Fleming (Vice Chair), Ms. Kim Bartleson, Ms. Sherri Carter, Mr. Chad Finke, Mr. Michael D. Planet, Mr. Michael M. Roddy, Ms. Linda Romero-Soles (phone), Mr. Brian Taylor, Ms. Kim Turner, Ms. Tania Ugrin-Capobianco, and Mr. David Yamasaki.

Judicial Council Staff Advisory Members: Mr. John Wordlaw and Mr. Zlatko Theodorovic

Advisory Body Members Absent: Hon. Kimberly Gaab, Hon. Brian McCabe, Hon. B. Scott Thomsen, and Mr. Kevin Harrigan.

Others Present: Ms. Lucy Fogarty, Ms. Brandy Sanborn, Ms. Michele Allan, Ms. Melissa Ng, Ms. Rose Livingston, Mr. W. Samuel Hamrick Jr., Hon. Lloyd Connelly, and Mr. Jim Lombard.

OPEN MEETING

Call to Order and Roll Call

The chair called the meeting to order at 10:01 a.m. and took roll call.

Approval of Minutes

The advisory body reviewed and approved the minutes of the January 17, 2019 Trial Court Budget Advisory Committee meeting and the January 24 and February 1, 2019 action by email between meetings.

DISCUSSION AND ACTION ITEMS (ITEM 1)

Item 1 - Trial Court Budget Change Proposals for 2020-21 (Action Required)

Discuss trial court funding priorities for 2020-21 budget change proposals.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Rebecca Fleming, Vice Chair, Trial Court Budget Advisory Committee

Action: The Trial Court Budget Advisory Committee unanimously voted to move forward with the following budget change proposal concepts:

1. Escalation Factor for Trial Court Increases
 - a. This is a combination of the previously identified concepts “General Operational Costs” and “Negotiated Salary Increases.”
 - b. An ad hoc subcommittee was formed to work on mechanics of a cost increase escalator for inclusion in the budget change proposal concept should the initial funding request be approved by the Judicial Branch Budget Committee.
2. Civil Assessments Backfill
3. Civil Assessments Maintenance of Effort (MOE)
4. 1% Reserve Cap
5. New Judgeships

INFORMATION ONLY ITEMS (NO ACTION REQUIRED)

Info 1 - Sacramento Superior Court Request

Discuss letter submission from the Sacramento Superior Court dated January 31, 2019.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Rebecca Fleming, Vice Chair, Trial Court Budget Advisory Committee

ADJOURNMENT

There being no further business, the meeting was adjourned at 2:00 p.m.

Approved by the advisory body on enter date.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee

(Action Item)

Title: Consideration of Continued Receipt of Children’s Waiting Room Funds for the Superior Court of California, County of Contra Costa

Date: 3/21/2019

Contact: Melissa Ng, Senior Budget Analyst, Judicial Council Budget Services
916-263-1754 | melissa.ng@jud.ca.gov

Issue

Effective October 1, 2018, the Superior Court of Contra Costa closed its Children’s Waiting Room (CWR) at its Pittsburg facility in order to relocate the CWR to Martinez. Public utilization of the CWR at Pittsburg had decreased since Family Law operations was relocated to the Peter L. Spinetta Family Law Center in Martinez last fiscal year. Contra Costa Superior Court is requesting to continue to receive CWR funds in order to build sufficient resources to reopen in Martinez by July 2019 and resume ongoing operations without decreasing service levels.

Background

Per Government Code section 70640, after January 1, 2006, a court may apply to the Judicial Council for a CWR distribution between \$2 and \$5, inclusive, from applicable filing fees (see Attachment 1A). The Judicial Council’s policy requires the Trial Court Budget Advisory Committee to make a recommendation to the council on a court’s request (see Attachment 1B). The Superior Court of Contra Costa’s request for a continued CWR distribution is provided in Attachment 1E.

Attachment 1C provides the current distribution amount and total distributions for 2015-16, 2016-17, 2017-18, and 2018-19 (for the period of July 2018 – October 2018) for the 18 courts that currently have a CWR distribution.

Attachment 1D provides the distribution from the First Paper General Civil Unlimited Uniform Filing Fee (GC 70611) for Contra Costa Superior Court. There is no change in the distribution for this request because the court is already receiving a CWR distribution.

Recommendation

The Fiscal Planning Subcommittee unanimously recommends that the Trial Court Budget Advisory Committee recommend the Judicial Council approve the continued distribution of CWR funds to Contra Costa Superior Court to allow the court to accumulate sufficient funding to operate the CWR full-time at its new location in Martinez, scheduled to re-open in July 2019.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee

Attachments

- Attachment 1A:** Government Code Section 70640
- Attachment 1B:** Children's Waiting Room Distribution and Fund Balance Policy
- Attachment 1C:** Children's Waiting Room – Distribution Amount and Total Distribution
- Attachment 1D:** Distribution from First Paper General Civil Unlimited Uniform Filing Fee (GC 70611)
- Attachment 1E:** Superior Court of California, Contra Costa County's CWR Continued Distribution Request

Government Code Section 70640

(a) It is the policy of the state that each court shall endeavor to provide a children's waiting room in each courthouse for children whose parents or guardians are attending a court hearing as a litigant, witness, or for other court purposes as determined by the court. To defray that expense, monthly allocations for children's waiting rooms shall be added to the monthly apportionment under subdivision (a) of Section 68085 for each court where a children's waiting room has been established or where the court has elected to establish that service.

(b) The amount allocated to each court under this section shall be equal to the following: for each first paper filing fee as provided under Section 70611, 70612, 70613, 70614, or 70670, and each first paper or petition filing fee in a probate matter as provided under Section 70650, 70651, 70652, 70653, 70654, 70655, 70656, or 70658, the same amount as was required to be collected as of December 31, 2005, to the Children's Waiting Room Fund under former Section 26826.3 in the county in which the court is located when a fee was collected for the filing of a first paper in a civil action under former Section 26820.4.

(c) Notwithstanding any other provision of law, the court may make expenditures from these allocations in payment of any cost, excluding capital outlay, related to the establishment and maintenance of the children's waiting room, including personnel, heat, light, telephone, security, rental of space, furnishings, toys, books, or any other item in connection with the operation of a children's waiting room.

(d) If, as of January 1, 2006, there is a Children's Waiting Room Fund in the county treasury established under former Section 26826.3, the county immediately shall transfer the moneys in that fund to the court's operations fund as a restricted fund. By February 15, 2006, the county shall provide an accounting of the fund to the Administrative Office of the Courts.

(e) After January 1, 2006, the court may apply to the Judicial Council for an adjustment of the amount distributed to the fund for each uniform filing fee. A court that wishes to establish a children's waiting room, and does not yet have a distribution under this section, may apply to the Judicial Council for a distribution. Applications under this subdivision shall be made according to trial court financial policies and procedures authorized by the Judicial Council under subdivision (a) of Section 77206. Adjustments and new distributions shall be effective January 1 or July 1 of any year beginning January 1, 2006.

(f) The distribution to a court under this section per each filing fee shall be not less than two dollars (\$2) and not more than five dollars (\$5).

(Amended by Stats. 2007, Ch. 130, Sec. 135. Effective January 1, 2008.)

Children's Waiting Room (CWR) Distribution and Fund Balance Policy

A. Applying for a New CWR Distribution

- A court's presiding judge or executive officer must submit a request to the director of the Judicial Council Finance Office 45 days prior to the date of the council meeting at which the court is requesting consideration.
- The request must include the following information:
 - Date of the council meeting at which the court is requesting consideration.
 - Requested effective date of the distribution (July 1 or January 1). If a court wants to begin receiving distributions more than one year in advance of the planned opening date of a CWR, the request should include an explanation of the extenuating circumstance(s).
 - The scheduled opening date of the CWR(s).
 - Description of the CWR(s).
 - The date when the court intends to make expenditures related to operating its CWR(s).
 - The requested distribution amount between \$2 and \$5. Courts can request the Judicial Council Finance Office to provide an estimate of annual distributions.
- The Trial Court Budget Advisory Committee (TCBAC) will make a recommendation to the council on each court's request.
- If the council approves that distributions begin prior to the operating of a CWR but the court does not operate a CWR six months after their planned opening date, the court must apply for a continued distribution.

B. Requesting a Decreased CWR Distribution Amount

- Any court's request to decrease its existing CWR distribution is approved by the Judicial Council and the request can be implemented by Judicial Council staff, effective either January 1 or July 1.

C. Temporarily or Permanently Ceasing CWR Operations

- Courts that cease operating all CWRs must notify the director of the JC Finance Office within 60 days of the cessation date. Unless a court provides notification and submits an application to continue receiving distributions while not operating a CWR within 60 days of the cessation date, the court's CWR distributions will be stopped either January 1 or July 1, whichever is earlier, and the court will be required to return any CWR fund balance to the TCTF.
- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return of the CWR fund balance will occur on the February trial court distribution for those courts that the CWR distribution stopped on January 1, and on the August distribution for those courts that the CWR distributions stopped on July 1.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.

Children's Waiting Room (CWR) Distribution and Fund Balance Policy

- An application for a continued distribution must include all the information required of courts applying for a new distribution (see section A above) as well as the amount of any CWR fund balance.
- The TCBAC will make a recommendation to the Judicial Council on each court's application.
- For courts that apply and whose application is denied by the Judicial Council, any CWR fund balance shall be returned to the TCTF.

D. Cap on CWR Fund Balance

- Courts shall monitor the CWR distribution amount per filing to ensure it is adequate to meet the CWR needs of the court without accumulating an amount in excess of the cap described below.
- Effective July 1, 2015, there shall be a cap on the amount of CWR fund balance that courts can carry forward from one fiscal year to the next. The cap shall be the amount of the highest annual distribution within the three most recent fiscal years.
- Courts that have a CWR fund balance greater than the cap (as described above) at the end of the every other fiscal year (beginning with fiscal year 2016–2017) will be required to return to the TCTF the amount above the cap in the subsequent fiscal year.
- For courts that are required to return the portion of their CWR fund balance above the cap to the TCTF, the return of the CWR fund balance will occur on the August trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.
- The cap applies only to courts that have received at least 12 months of distributions in a fiscal year while operating a CWR.
- If a court wants a cap adjustment, it must submit a request explaining the extenuating circumstance and including its CWR expenditure plan to the director of the JC Finance Office for consideration by the TCBAC and the Judicial Council. The request must be received by the Finance Director within 60 days of the end of the fiscal year for which the adjustment is being requested.
- JC staff will report any return of CWR fund balance through the trial court distribution process to the TCBAC and the Judicial Council.
- For courts that have Judicial Council–approved adjustments to their CWR caps, annual reporting will be required 60 days after the end of each fiscal year for courts that have an adjustment to their CWR cap approved by the Judicial Council, using a template provided by Judicial Council staff.

E. Courts that have Received a Distribution but Never Operated a CWR

- Courts that received distributions between January 1, 2006 and June 30, 2014 but did not operate a CWR during that time period must either apply for a continued distribution by

Children's Waiting Room (CWR) Distribution and Fund Balance Policy

September 26, 2015 or have their distributions stopped on January 1, 2016 and return to the TCTF any CWR fund balance.

- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return will occur on the October 2015 trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.

Children's Waiting Room
Distribution Amount and Total Distribution

	Court	Distribution Amount	2015-16 Total Distribution	2016-17 Total Distribution	2017-18 Total Distribution	2018-19 July 2018-October 2018
	A	B	C	D	E	F
1	Alameda	\$5	\$ 162,487	\$ 188,819	\$ 169,579	\$ 58,756
2	Butte	\$5	\$ 19,372	\$ 27,096	\$ 11,227	\$ -
3	Contra Costa	\$5	\$ 104,333	\$ 129,349	\$ 116,444	\$ 43,687
4	Fresno	\$5	\$ 98,469	\$ 121,401	\$ 110,504	\$ 41,229
5	Los Angeles	\$5	\$ 830,421	\$ 1,295,100	\$ 1,480,168	\$ 537,728
6	Monterey	\$5	\$ 32,856	\$ 40,826	\$ 20,230	\$ -
7	Orange	\$5	\$ 369,617	\$ 466,843	\$ 421,645	\$ 150,500
8	Riverside	\$5	\$ 253,815	\$ 317,869	\$ 287,070	\$ 100,732
9	Sacramento	\$5	\$ 504,807	\$ 373,901	\$ 348,234	\$ 167,253
10	San Bernardino	\$5	\$ -	\$ 297,239	\$ 288,108	\$ 93,426
11	San Diego	\$5	\$ 336,581	\$ 430,649	\$ 380,780	\$ 131,162
12	San Francisco	\$5	\$ 115,160	\$ 140,230	\$ 124,923	\$ 45,990
13	San Joaquin	\$5	\$ -	\$ -	\$ 91,233	\$ 31,958
14	San Luis Obispo	\$5	\$ 23,484	\$ 29,250	\$ 25,681	\$ 9,557
15	San Mateo	\$5	\$ 64,791	\$ 81,204	\$ 71,715	\$ 25,953
16	Santa Barbara	\$5	\$ 39,686	\$ 48,354	\$ 43,675	\$ 14,719
17	Santa Clara	\$5	\$ 147,497	\$ 174,867	\$ 162,279	\$ 58,617
18	Solano	\$5	\$ 46,724	\$ 56,083	\$ 54,379	\$ 19,232
19	Sonoma	\$5	\$ 45,987	\$ 55,979	\$ 49,926	\$ 18,314
20	Stanislaus	\$2	\$ 19,924	\$ 24,371	\$ -	\$ -
21	Ventura	\$5	\$ 84,342	\$ 103,657	\$ 92,008	\$ 32,383
	Total		\$ 3,302,071	\$ 4,403,087	\$ 4,349,806	\$ 1,581,195

Distribution from First Paper General Civil Unlimited
Uniform Filing Fee (GC 70611) in Contra Costa County

Distribution	State vs. Local	Current
Trial Court Trust Fund Base Allocation	State	\$311.70
Children's Waiting Room	State	\$5.00
Automated Recored-Keeping and Micrographics	State	\$3.00
Judges' Retirement Fund	State	\$2.50
State Court Facilities Construction Fund	State	\$35.00
Immediate & Critical Needs Account	State	\$30.00
Local Courthouse Construction Surcharges		\$0.00
Equal Access Fund	Local	\$4.80
Dispute Resolution	Local	\$8.00
Law Library	Local	\$35.00
Fee Amount		\$435.00

October 18, 2018

Superior Court of California

COUNTY OF CONTRA COSTA
725 COURT STREET
P.O. BOX 911
MARTINEZ, CA 94553-0091



Zlatko Theodorovic
Director of Budget Services
Judicial Council of California
2850 Gateway Oaks Drive, Suite 300
Sacramento, CA 95833-4353

Re: Notification of Temporary Closure of Children's Waiting Room and Request to Continue Receiving CWR Distribution

Dear Mr. Theodorovic:

The Contra Costa Superior Court closed its Children's Waiting Room (CWR) at the Richard E. Arnason Justice Center located at 1000 Center Drive in Pittsburg effective October 1, 2018. Public utilization of the CWR in Pittsburg had decreased since Family Law operations was relocated from the Pittsburg facility to the Peter L. Spinetta Family Law Center in Martinez last fiscal year, and therefore it is no longer viable to continue operating a CWR in the Pittsburg facility.

There is significant public demand and need for a CWR in Martinez where Family Law services are centrally located. The Court has requested self-help funding to build a CWR in the Peter L. Spinetta Family Law Center that is larger than the Pittsburg CWR. The Court has obtained a cost estimate to build a bathroom and perform other renovation work to transform the space into a CWR. If funding for this project is approved, the Court will proceed with the renovation work, hire a new vendor to staff and operate the CWR, and aim to re-open the CWR in Martinez by July 2019.

It is requested that the Judicial Council approve Contra Costa Superior Court's continued receipt of its CWR distribution at the next council meeting. The Court currently receives a CWR distribution at the \$5 level and has a CWR fund balance of \$165,136. The cost of operating the CWR full-time has exceeded the annual allocation for the last four fiscal years, thus the fund balance was used to cover the annual shortfall. It is anticipated that once the CWR reopens in Martinez, the fund balance will be needed to help pay for the costs of operating the CWR full-time. If approved to continue receiving CWR distributions during this temporary closure, the Court will be in a better position to resume ongoing operations without decreasing service levels for a longer period of time. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kate Bieker".

Kate Bieker
Court Executive Officer

KB/FL

cc: Hon. Jill Fannin, Presiding Judge
Hon. Barry Baskin, Assistant Presiding Judge
Fae Li, Director of Finance

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee

(Action Item)

Title: Adjustments to Council Approved 2018-19 Allocations from the State Trial Court Improvement and Modernization Fund (IMF)

Date: 3/21/2019

Contact: Jason Haas, Senior Analyst, Judicial Council Budget Services
916-643-7061 | Jason.Haas@jud.ca.gov

Issue

Consideration of the Revenue and Expenditure Subcommittee recommendation to approve an adjustment to the 2018-19 Judicial Council adopted allocations from the IMF.

Background

On March 1, 2019, the Revenue and Expenditure Subcommittee approved the following recommendation to the Trial Court Budget Advisory Committee:

- **Information Technology - \$252,000 for the Jury Management Program**
 - These funds are being requested as an augmentation to the existing Judicial Council-approved allocation of \$465,000. This addition would give the office a total allocation of \$717,000 in 2018-19. The referenced funds are mandated in statute to be used solely for this purpose.
 - ***Government Code 77209(h) provides specific funding for improvement of the jury systems.*** “Royalties received from the publication of uniform jury instruction shall be deposited in the Trial Court Improvement and Modernization Fund and used for improvement of the jury system.”
 - The increased funding will provide 23 courts and 38 jury projects funding to enhance their jury management system; provide greater access to information and improve the juror’s experience.
 - Should this request be approved, the available fund balance for Jury Improvement Royalties at the end of 2018-19 will be approximately \$696,000. This amount is held in reserve in the IMF fund balance (see Attachment 2A).

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee

Recommendation

The following recommendation is presented to the Trial Court Budget Advisory Committee for consideration:

1. Adopt a recommendation to approve a total of \$252,000 as an augmentation to the 2018-19 allocations for the Jury Improvement Program administered by the Information Technology office as noted above for consideration by the Judicial Council at its May 16-17, 2019 meeting.

Attachments

Attachment 2A: Jury Management Restricted Fund Balance

**Jury Management
Restricted Fund Balance
As of January 31, 2019**

Description	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated	2020-21 Estimated
Beginning Balance	801,573	866,369	1,088,161	783,318	695,798	665,339
Royalty Revenue*	540,751	689,192	503,746	648,480	688,541	747,029
Total Resources	1,342,324	1,555,561	1,591,907	1,431,798	1,384,339	1,412,368
EXPENDITURE						
Jury System Improvement	10,956	12,697	8,562	19,000	19,000	19,000
Jury Management System	464,999	454,703	800,027	717,000	700,000	700,000
Total Expenditure	475,955	467,400	808,589	736,000	719,000	719,000
Available Royalty Balance	866,369	1,088,161	783,318	695,798	665,339	693,368

*2018-19 are estimates. All past amounts are the actual receipts and expenditures for the fiscal years posted.



JUDICIAL COUNCIL OF CALIFORNIA

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MEMORANDUM

Date March 14, 2019	Action Requested Review and Approve Recommendation
To Trial Court Budget Advisory Committee	Deadline March 21, 2019
From Leah Rose-Goodwin, Manager, Budget Services	Contact Leah Rose-Goodwin (415) 865-7708 phone leah.rose-goodwin@jud.ca.gov
Subject Workload Formula: Various	

Background

At its February 28, 2019 meeting, the Funding Methodology Subcommittee (FMS) considered three items related to Workload Funding:

- Item 1: Civil Assessments and Maintenance of Effort (MOE) Obligation
- Item 2: All Funding Sources and Operating Expenses & Equipment (OE&E) Inflationary Factor
- Item 3: Unfunded Costs for Facilities

The reports and materials that were provided relative to these items are attached (Attachments 3A, 3B, and 3C).

The subcommittee had a productive and extensive dialogue concerning all three items. With regard to Items 1 and 3, the subcommittee expressed concerns with the unintended consequences of adopting the recommendation as worded and voted unanimously to table items 1 and 3, but adjust each court's workload allocation to include net civil assessments based on prior fiscal year

March 14, 2019

Page 2

(civil assessments less maintenance of effort (MOE) obligations and expenditures identified in Item 3 (debt obligations funded by civil assessments). This was part of the recommendation made in Item 2. Because of the time lag between when allocations are to be built and when the data are available, the data used to build allocations would be prior year; for example, the 2019-20 allocations would use 2017-18 data.

Regarding Item 2, FMS voted unanimously to approve the recommendations made in the report.

Recommendation

FMS recommends that the Trial Court Budget Advisory Committee (TCBAC) take the following actions:

1. Adjust each court's workload allocation to include net civil assessments based on prior fiscal year (civil assessments less maintenance of effort (MOE) obligations and expenditures identified in Item 3 (debt obligations funded by civil assessments));
2. Table for later consideration the remaining issues contained in items 1 and 3;

Concerning the recommendations made in the Item 2 - All Funding Sources report, TCBAC should:

3. Adopt the recommendations to include or exclude the general ledger (GL) accounts that were reviewed as detailed in Attachment B of the report, effective with 2019-20 allocations;
4. Starting in 2019-20 with the goal of being effective in 2020-21, lead a statewide effort in partnership with the Court Executives Advisory Committee to standardize the usage of general ledger accounts so that courts are using the account codes in a uniform and consistent manner;
5. Approve use of a statewide Consumer Price Index (CPI) factor to be applied to the Operating Expenses and Equipment calculation starting for 2019-20 allocations; and
6. Add to the FMS workplan a review of all accounts that are used in the computation of the Operating Expenses and Equipment factor.

Attachments

Attachment 3A: Civil Assessments and MOE Report to FMS, February 28, 2019

Attachment 3B: Workload Formula: All Funding Sources Report to FMS, February 28, 2019

Attachment 3C: Joint Facilities Ad Hoc Subcommittee Recommendation Regarding Unfunded Facilities Costs to FMS, February 28, 2019

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Funding Methodology Subcommittee

(Action Item)

Title: Civil Assessments and Maintenance of Effort Obligations
Date: 2/28/2019
Contact: Lucy Fogarty, Deputy Director, Budget Services
415-865-7587 | lucy.fogarty@jud.ca.gov

Issue

The Funding Methodology Subcommittee (FMS) work plan item 1 requires the FMS to evaluate the impacts of civil assessments on the Workload-based Allocation and Funding Methodology.

Background

Maintenance of Effort (MOE) Obligation

As part of granting the counties relief from any direct responsibility to fund trial court operations costs because of the Trial Court Funding Act of 1997, the counties were required to make quarterly payments to the Trial Court Trust Fund (TCTF) capped at the amounts of:

1. County general fund money provided for support of the courts in fiscal year 1994–1995 (Expenditure MOE).
2. Specified fine and penalty revenues the county remitted to the state in fiscal year 1994–1995 (Revenue MOE).

Over time, several legislative actions changed the amounts and number of counties obligated under these MOEs. Assembly Bill 1759 (Stats. 2003, ch. 159) established Government Code 68085.5 requiring the California State Association of Counties and the Administrative Office of the Courts (now Judicial Council) to come to an agreement on the distribution of certain fees, sanctions, and penalties. Civil assessments were included among those items. As part of the agreement, GC 68085.7 required that the County Revenue MOE obligation amounts be reduced based on the 2003–2004 county civil assessment revenues, totaling \$48.3 million.

The reduction resulted in less revenues being submitted to the TCTF. There were no statutory provisions that addressed how this TCTF obligation should be met. In lieu of allocating a reduction to the trial courts, the Judicial Council opted to recover the \$48.3 million TCTF revenue shortfall from the civil assessment collections of the courts for which the respective counties had an MOE obligation. As a result, only 38 courts are currently contributing to this TCTF obligation.

Attachment A provides a detailed history of the analysis of the MOE obligations.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Funding Methodology Subcommittee

FMS Activity

The subcommittee discussed the impacts of civil assessments and the MOE obligations on the Workload Formula during their meetings on March 26, 2018 and October 18, 2018. The committee asked Judicial Council staff to survey the trial courts to obtain any written agreements that committed civil assessment revenues for any expenditure that was not discretionary in nature. The written agreements received from the courts were reviewed by Judicial Council Legal Services and their recommendations regarding the obligations are provided in Attachment B. The agreements for each court are provided in Attachment D.

The gross civil assessment collections, MOE obligations, and net civil assessment for each court for fiscal years 2011-12 through 2017-18 are provided in Attachment C.

In addition, the subcommittee asked staff to provide data regarding distribution of civil assessments in the following manner:

1. Pool civil assessment revenues statewide; then
2. Fund the MOE obligations for all courts; then
3. Fund other civil assessment obligations as identified in written agreements provided by courts; then
4. Distribute the net civil assessment to each court based upon their pro-rata share of gross civil assessment collections.

The following table provides an example of how this distribution would be calculated:

Table 1

DISTRIBUTION OF CIVIL ASSESSMENTS							
Court	Gross Collections	Pro Rata Percentage	Statewide MOE Buyout Amount	Statewide Written Agreements	Statewide Net Civil Assessments	Pro Rata Distribution	Difference
	A	B	C	D	E A-C-D	F B*E	G F-A
Court A	6,350,000	81%	N/A	N/A	N/A	4,449,071	(1,900,929)
Court B	250,000	3%	N/A	N/A	N/A	175,160	(74,840)
Court C	1,200,000	15%	N/A	N/A	N/A	840,769	(359,231)
Statewide*	N/A	N/A	1,550,000	785,000	5,465,000	N/A	N/A
Total	7,800,000	100.00%	1,550,000	785,000	5,465,000	5,465,000	(2,335,000)

*Statewide numbers for reduction of MOE and written agreements,

Consistent with current practice, civil assessments would be distributed monthly with a final reconciliation occurring after all collections data are available.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Funding Methodology Subcommittee

Recommendation

It is recommended that the FMS:

1. Determine how civil assessments should be distributed beginning in 2019-20. One option for distribution of civil assessments is to allocate as follows:
 - a. Pool civil assessment revenues statewide; then
 - b. Fund the MOE obligations for all courts; then
 - c. Fund other civil assessment obligations as identified in written agreements provided by courts; then
 - d. Distribute the net civil assessment to each court based upon their pro-rata share of gross civil assessment collections.

2. Review the civil assessment obligations identified in Attachment B and determine if they should be covered by the statewide pool in the event the methodology identified in 1 is recommended.

These recommendations should be considered in conjunction with the recommendations of the Joint Facilities Costs Ad Hoc Subcommittee (item 5).

The recommendations of the FMS will be presented to the Trial Court Budget Advisory Committee for consideration.

Item 9
History of County Maintenance of Effort Obligations Supporting Trial Court
Operations
(Informational Item)

Issue

At its August 5, 2015 business meeting, the subcommittee received an oral report with attachments providing an overview regarding county Maintenance of Effort obligations to the Trial Court Trust Fund (TCTF) supporting trial court operations. As a result of the presentation, members asked that a written report be provided to be available for subcommittee members' reference as necessary. This report is intended provide the information requested.

Background

With the passage of the Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)), existing joint state and county trial court funding financing provisions established by the Brown-Presley Trial Court Funding Act of 1988, as amended by subsequent action of the Legislature, was repealed and the state assumed sole responsibility for the funding of court operations in 1997–1998 (as defined in Section 77003 and Rule 810 of the California Rules of Court as it read on July 1, 1996).¹ As part of granting the counties relief from any direct responsibility to fund trial court operations costs, the counties were required to make quarterly installments into the TCTF under Government Code (GC) sections 77201(b)(1) and (b)(2) capped at the amounts of (1) county general fund money provided for support of the courts in fiscal year 1994–1995 (“County Expenditure Maintenance of Effort Obligation”), and (2) specified fine and penalty revenues the county remitted to the state in fiscal year 1994–1995 (County Revenue Maintenance of Effort Obligation”).² In 1997–1998, these county obligations amounted to \$890.0 million and \$291.4 million respectively (see column A of attachments 9B and 9C).³ Also, those fine and forfeiture revenues identified under the county revenue Maintenance of Effort obligation were returned to the counties to provide them with the revenues needed to meet their obligation to the TCTF.⁴ Over time, the amounts and the number of counties obligated have changed as a result of legislative action with those changes detailed below for each county Maintenance of Effort (MOE) obligation.

¹ Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233)*. pp. 3, 42-47.
<http://telesource.com/communique/documentation/233.pdf>.

² *Ibid.*, p. 49.

³ Government Code sections 77201(b)(1) and (b)(2).

⁴ Fines and forfeitures pursuant to Government Code sections 27361 and 76000; Penal Code sections 1463.001, 1463.005, 1463.007, 1463.009, 1463.07, and 1464; and Vehicle Code sections 42007 and 42007.1. Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233)*. p.4.

County Expenditure Maintenance of Effort Obligation History

The Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)) included an ongoing reduction to the counties' expenditure MOE obligation beginning in 1998–1999 under GC section 77201.1 (b)(1) that reduced the obligation amount of counties with a population of less than 70,000 to zero, \$10.7 million of relief for 20 counties, and reduced the obligation of the remaining 38 counties by \$273.8 million resulting in an obligation amount of \$605.5 million as a result (see columns B and C of attachment 9B).⁵ This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Counties' expenditure MOE obligation amounts were further adjusted in 1998–1999 under a provision included in AB 233 under GC section 77201(c) that allowed the court and/or county to seek an adjustment from the Department of Finance (DOF) to the expenditure MOE amount by February 15, 1998.⁶ Assembly Bill 1590 (Stats. 1998, ch.406) reflected adjustments for 35 counties under this provision with the MOE obligation reduction amount of \$33.8 million bringing the total county expenditure MOE obligation in 1998–1999 to \$571.7 million (see columns D and E of attachment 9B).⁷ This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Only one other adjustment to the county expenditure MOE obligation impacted multiple counties. Assembly Bill 2788 (Stats. 1998, ch. 1017) beginning in 1999–2000, increased the number of counties no longer contributing an expenditure MOE obligation amount from the 20 smallest counties to the 38 smallest counties and reduced the obligation amount for each of the remaining 20 counties by ten percent.⁸ This resulted in a \$96.6 million decrease in the county expenditure MOE obligation amount to \$475.1 million which was replaced by an increased General Fund transfer to the TCTF (see columns F and G of attachment 9B).

One final adjustment was made beginning in 2006–2007 related to Los Angeles County. As modified under Assembly Bill 227 (Stats. 2007, ch. 383), GC section 77201.3(a)(1) increased the county's obligation by \$23.5 million for the employer-paid retirement contribution the county paid for court employees in 1994–1995. This raised the total expenditure MOE obligation

⁵ Ibid., pp. 59-61.

⁶ Ibid., pp. 54-56. The county could submit a declaration to the DOF to seek adjustments to the MOE amount: 1. to correct errors in reporting of expenditures resulting in the county obligation being too high; 2. to remove extraordinary one-time costs funded in the base year which unfairly misrepresented the normal costs of operating the courts; and 3. to remove costs that were funded by grants or subventions. The court could submit a declaration to the DOF stating (1) the county failed to report certain county costs of court operations for fiscal year 1994–1995, and (2) this failure resulted in the MOE amount being too low. The exclusion of any allowable costs understates (1) the costs courts might incur in the future and (2) the amount counties contributed to court operations. The DOF had 30 to act on the declaration.

⁷ *Trial Court Funding Resource Manual: Second Edition 1998*. pp. 62-63.

<http://www.courts.ca.gov/partners/documents/TCFWG4-AdministrativeOfficeoftheCourtsResourceManualChangesMade-1997-1998.pdf>.

⁸ Ibid., pp. 64-65.

amount to \$498.6 million where it stands today in 2015–2016 (see columns H and I of attachment 9B).

County Revenue Maintenance of Effort Obligation History

The Lockyer-Isenberg Trial Court Funding Act of 1997 (AB 233 (Stats. 1997, ch.850)) included an ongoing reduction to the counties' expenditure MOE obligation beginning in 1998–1999 under GC section 77201.1 (b)(2) that reduced the obligation amount of counties and cities and replaced \$66.2 million in MOE contributions with General Fund transfer amounts to the TCTF (see columns B and C of attachment 9C). Of the \$66.2 million, \$4.3 million of the relief provided was to five counties that had historically contributed more in fine, fee, and penalty revenues to the state than they received in state funding for court operations: Placer (310,923), Riverside (3,346,334), San Joaquin (131,975), San Mateo (473,498), and Ventura (61,945). In addition, cities were given approximately \$62 million in relief and were allowed to retain 100 percent of base fines from city arrests and other city-generated traffic fine revenue.⁹ Assembly Bill 1590 (Stats. 1998, ch.406) further adjusted county revenue MOE obligation amounts in 1998–1999 for 6 counties in the amount of \$1.2 million as those counties' MOE amounts were initially based on 13 rather than 12 months' revenue data. As a result the MOE obligation amount in 1998–1999 was reduced to \$224.0 million (see columns D and E of attachment 9B). This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.¹⁰

In 1999–2000, two separate pieces of legislation, Assembly Bill 2788 (Stats. 1998, ch. 1017) and Senate Bill 815 (Stats. 2000, ch. 671), reduced the MOE obligation for one court as that county's MOE amounts were initially based on 13 rather than 12 months' revenue data, granted relief to one county, and corrected a transposition error between two counties to reduce the total MOE obligation \$1 million to \$223.0 million (see Columns F through I of attachment 9C). This reduction in MOE revenue to the TCTF was replaced by an increased General Fund transfer to the TCTF.

Further and final adjustments to-date to the county MOE obligation did not occur until 2006–2007, first initiated by the passage of Assembly Bill (AB) 139 (Stats. 2005, ch. 74) and further impacted by the passage of Assembly Bill 145 (Stats. 2005, ch. 75). Assembly Bill 139 added GC section 68085.7 which served as a solution to a problem presented by Assembly Bill 1759 (Stats. 2003, ch. 159) after a long negotiation between the California State Association of the Counties (CSAC) and the Administrative Office of the Courts (AOC) (now the Judicial Council of California). AB 1759 (Stats. 2003, ch. 159) established GC section 68085.5 requiring the CSAC and AOC to come to an agreement on the distribution certain fees, sanctions and penalties

⁹ Council and Legal Services Division and the Office of Governmental Affairs. *Resource Manual for the Lockyer-Isenberg Trial Court Funding Act of 1997 (Assembly Bill 233)*. pp. 59-60.

¹⁰ *Ibid.*, p. 59.

listed in GC 68085.5(a), (b) and (f) with the distribution to take effect July 1, 2005. Civil assessments imposed pursuant to Penal Code section 1214.1 were included among those items. In addition, AB 1759 required that all fines and fees not currently a part of local revenue sharing agreements were to be remitted by the counties to the TCTF in an amount not to exceed \$31 million and the General Fund transfer to the TCTF was then reduced by \$31 million as an interim solution. As part of the agreement, GC section 68085.7 required that county revenue MOE obligation amounts be reduced based on the 2003–2004 county civil assessment revenues which would then be designated by AB 145 as TCTF revenues beginning January 1, 2006.¹¹ Each court and county was required to report the revenue amount, jointly if they agreed, to the CSAC and the AOC. As a result of those reported revenues, the MOE obligation amount was reduced up to \$48.3 million beginning in 2006–2007 (AB 227 (Stats. 2007, ch.383)) (see Columns J and K of attachment 9C).¹² In lieu of allocating a reduction to the trial courts based on the reduced \$48.3 million of revenue to the TCTF, the Judicial Council opted to recover the \$48.3 million TCTF revenue shortfall by retaining in the TCTF that amount of the annual civil assessment revenue remitted by the trial courts and then distributing the remainder to the courts. In addition, the agreement added GC section 68085.6 which reduced the counties’ interim \$31 million obligation payments to the TCTF incrementally beginning in 2005–2006 until their contribution was reduced to zero in 2009–2010. This revenue shortfall was then allocated as a permanent \$31 million reduction to the trial courts in 2009–2010.

Assembly Bill 145 added GC section 68085.2 which required that county revenue MOE obligation amounts be reduced based on the 2003–2004 county revenues of what were known as the “AB 233” fees which were designated by AB 139 as judicial branch revenues beginning January 1, 2006.¹³ Each court and county were required to agree on the reduction amount and report that amount jointly to the CSAC and the AOC. As a result of those agreements, the MOE obligation amount was reduced \$14.2 million beginning in 2006–2007 and half that amount in 2005–2006 (AB 227 (Stats. 2007, ch.383)) (see Columns L and M of attachment 9C). These “AB 233” revenues were retained in the TCTF to replace the revenue decrease from the MOE obligation amount reduction. As of 2015–2016, the total county revenue MOE obligation amount is \$160.5 million.

¹¹ Enhanced Civil Assessments Working Group. *Implementation of Assembly Bill 139 Provisions and Establishment of a Statewide Enhanced Civil Assessments Program (Action Required)*. Report to the Judicial Council. August 16, 2005. pp 7-9. <http://www.courtinfo.ca.gov/courtadmin/jc/documents/reports/0805item8.pdf>.

¹² Pursuant to GC 77201.3(a)(2)(B), Santa Clara County's obligation can be reduced by up to \$2.5 million based on the level of net civil assessment revenues collected by Santa Clara Superior Court and Santa Clara County each fiscal year.

¹³ Civil fees under Government Code sections 26823, 26827.4, 26830, 26832, 26832.1, 26833.1, 26835.1, 26836.1, 26837.1, 26838, 26850.1, 26851.1, 26852.1, 26853.1, 26855.4, and 72060; and Code of Civil Procedure section 116.230.

County Expenditure Maintenance of Effort Obligations

AB 233, Stats. 1997, Ch. 850 GC 77201(b)(1) FY 1997-98		AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(1) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(1) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(1) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(1) FY 2006-07 & After		
Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	
01	Alameda	\$ 42,045,093	\$ (12,490,817)	\$ 29,554,276	\$ (4,543,270)	\$ 25,011,006	\$ (2,501,101)	\$ 22,509,905	\$ -	\$ 22,509,905
02	Alpine	46,044	(46,044)	-	-	-	-	-	-	-
03	Amador	900,196	(900,196)	-	-	-	-	-	-	-
04	Butte	2,604,611	(416,050)	2,188,561	(2,939)	2,185,622	(2,185,622)	-	-	-
05	Calaveras	420,893	(420,893)	-	-	-	-	-	-	-
06	Colusa	309,009	(309,009)	-	-	-	-	-	-	-
07	Contra Costa	21,634,450	(7,080,622)	14,553,828	(1,248,789)	13,305,039	(1,330,504)	11,974,535	-	11,974,535
08	Del Norte	780,786	(780,786)	-	-	-	-	-	-	-
09	El Dorado	3,888,927	(1,246,099)	2,642,828	(183,443)	2,459,385	(2,459,385)	-	-	-
10	Fresno	13,355,025	(2,134,703)	11,220,322	1,249,433	12,469,755	(1,246,975)	11,222,780	-	11,222,780
11	Glenn	371,607	(371,607)	-	-	-	-	-	-	-
12	Humboldt	2,437,196	(414,061)	2,023,135	(221,356)	1,801,779	(1,801,779)	-	-	-
13	Imperial	2,055,173	(200,000)	1,855,173	(13,302)	1,841,871	(1,841,871)	-	-	-
14	Inyo	546,508	(546,508)	-	-	-	-	-	-	-
15	Kern	16,669,917	(4,432,559)	12,237,358	(1,976,790)	10,260,568	(1,026,057)	9,234,511	-	9,234,511
16	Kings	2,594,901	(613,575)	1,981,326	(342,025)	1,639,301	(1,639,301)	-	-	-
17	Lake	975,311	(975,311)	-	-	-	-	-	-	-
18	Lassen	517,921	(517,921)	-	-	-	-	-	-	-
19	Los Angeles	291,872,379	(91,275,971)	200,596,408	(5,784,578)	194,811,830	(19,481,183)	175,330,647	23,527,949	198,858,596
20	Madera	1,242,968	(200,001)	1,042,967	93,475	1,136,442	(1,136,442)	-	-	-
21	Marin	6,837,518	(2,109,663)	4,727,855	116,393	4,844,248	(4,844,248)	-	-	-
22	Mariposa	177,880	(177,880)	-	-	-	-	-	-	-
23	Mendocino	1,739,605	(200,000)	1,539,605	20,582	1,560,187	(1,560,187)	-	-	-
24	Merced	1,363,409	(200,000)	1,163,409	1,306,467	2,469,876	(2,469,876)	-	-	-
25	Modoc	114,249	(114,249)	-	-	-	-	-	-	-
26	Mono	271,021	(271,021)	-	-	-	-	-	-	-
27	Monterey	5,739,655	(199,999)	5,539,656	(516,422)	5,023,234	(502,323)	4,520,911	-	4,520,911
28	Napa	2,866,986	(735,941)	2,131,045	253,317	2,384,362	(2,384,362)	-	-	-
29	Nevada	815,130	(200,000)	615,130	-	615,130	(615,130)	-	-	-
30	Orange	76,567,372	(24,225,977)	52,341,395	(9,179,170)	43,162,225	(4,316,222)	38,846,003	-	38,846,003
31	Placer	6,450,175	(2,521,781)	3,928,394	(2,117,868)	1,810,526	(1,810,526)	-	-	-
32	Plumas	413,368	(413,368)	-	-	-	-	-	-	-
33	Riverside	32,524,412	(11,298,249)	21,226,163	(1,384,784)	19,841,379	(1,984,138)	17,857,241	-	17,857,241
34	Sacramento	40,692,954	(14,894,890)	25,798,064	(2,761,104)	23,036,960	(2,303,696)	20,733,264	-	20,733,264
35	San Benito	460,552	(460,552)	-	-	-	-	-	-	-
36	San Bernardino	31,516,134	(8,979,580)	22,536,554	(61,996)	22,474,558	(2,247,456)	20,227,102	-	20,227,102
37	San Diego	77,637,904	(26,873,030)	50,764,874	(2,436,061)	48,328,813	(4,832,881)	43,495,932	-	43,495,932
38	San Francisco	31,142,353	(10,410,920)	20,731,433	707,792	21,439,225	(2,143,922)	19,295,303	-	19,295,303
39	San Joaquin	9,102,834	(1,972,882)	7,129,952	140,124	7,270,076	(727,008)	6,543,068	-	6,543,068
40	San Luis Obispo	6,840,067	(2,392,517)	4,447,550	61,635	4,509,185	(4,509,185)	-	-	-
41	San Mateo	20,383,643	(7,204,162)	13,179,481	355,051	13,534,532	(1,353,453)	12,181,079	-	12,181,079
42	Santa Barbara	10,604,431	(3,087,996)	7,516,435	-	7,516,435	(751,643)	6,764,792	-	6,764,792
43	Santa Clara	49,876,177	(16,965,560)	32,910,617	(1,033,450)	31,877,167	(3,187,717)	28,689,450	-	28,689,450

County Expenditure Maintenance of Effort Obligations

AB 233, Stats. 1997, Ch. 850 GC 77201(b)(1) FY 1997-98		AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(1) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(1) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(1) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(1) FY 2006-07 & After		
Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	
44	Santa Cruz	6,449,104	(1,814,368)	4,634,736	(241,856)	4,392,880	(4,392,880)	-	-	
45	Shasta	3,369,017	(618,453)	2,750,564	(495,671)	2,254,893	(2,254,893)	-	-	
46	Sierra	40,477	(40,477)	-	-	-	-	-	-	
47	Siskiyou	478,144	(478,144)	-	-	-	-	-	-	
48	Solano	10,780,179	(3,804,670)	6,975,509	(39,219)	6,936,290	(693,629)	6,242,661	-	
49	Sonoma	9,273,174	(2,548,885)	6,724,289	122,895	6,847,184	(684,718)	6,162,466	-	
50	Stanislaus	8,320,727	(2,448,543)	5,872,184	(1,976,299)	3,895,885	(389,588)	3,506,297	-	
51	Sutter	1,718,287	(329,479)	1,388,808	(971,943)	416,865	(416,865)	-	-	
52	Tehama	1,352,370	(1,352,370)	-	-	-	-	-	-	
53	Trinity	620,990	(620,990)	-	-	-	-	-	-	
54	Tulare	6,981,681	(1,729,293)	5,252,388	(139,623)	5,112,765	(5,112,765)	-	-	
55	Tuolumne	1,080,723	(1,080,723)	-	-	-	-	-	-	
56	Ventura	16,721,157	(5,328,703)	11,392,454	(576,687)	10,815,767	(1,081,577)	9,734,190	-	
57	Yolo	2,564,985	(200,001)	2,364,984	-	2,364,984	(2,364,984)	-	-	
58	Yuba	842,240	(842,240)	-	-	-	-	-	-	
	Total	\$ 889,999,999	\$ (284,520,289)	\$ 605,479,710	\$ (33,821,481)	\$ 571,658,229	\$ (96,586,092)	\$ 475,072,137	\$ 23,527,949	\$ 498,600,086
	Counties	58	58	38	35	38	38	20	1	20

County Revenue Maintenance of Effort Obligations

AB 233, Stats. 1997, Ch. 850 GC 77201(b)(2) FY 1997-98		AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(2) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(2) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(2) FY 1999-00		SB 815, Stats. 2000, Ch. 671 GC 77201.1(b)(2) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After ¹		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After ²	
Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	Col. M
01 Alameda	\$ 12,769,882	\$ (2,857,726)	\$ 9,912,156	\$ -	\$ 9,912,156	\$ -	\$ 9,912,156	\$ -	\$ 9,912,156	\$ (1,796,656)	\$ 8,115,500	\$ (585,686)	\$ 7,529,814
02 Alpine	58,757	-	58,757	-	58,757	-	58,757	-	58,757	-	58,757	(298)	58,459
03 Amador	377,005	(111,298)	265,707	-	265,707	-	265,707	-	265,707	-	265,707	(4,089)	261,618
04 Butte	1,437,671	(220,619)	1,217,052	-	1,217,052	-	1,217,052	-	1,217,052	(365,845)	851,207	(53,695)	797,512
05 Calaveras	418,558	(108,227)	310,331	-	310,331	-	310,331	-	310,331	-	310,331	(12,084)	298,247
06 Colusa	485,040	(87,572)	397,468	-	397,468	-	397,468	-	397,468	-	397,468	(3,466)	394,002
07 Contra Costa	5,646,329	(1,478,135)	4,168,194	-	4,168,194	-	4,168,194	318,292	4,486,486	(1,045,423)	3,441,063	(304,656)	3,136,407
08 Del Norte	727,852	(174,122)	553,730	-	553,730	-	553,730	(429,645)	124,085	-	124,085	(3,487)	120,598
09 El Dorado	1,217,093	(188,744)	1,028,349	-	1,028,349	-	1,028,349	-	1,028,349	(251,264)	777,085	(44,479)	732,606
10 Fresno	4,505,786	(810,153)	3,695,633	-	3,695,633	-	3,695,633	-	3,695,633	-	3,695,633	(159,469)	3,536,164
11 Glenn	455,389	(94,415)	360,974	-	360,974	-	360,974	-	360,974	(67,848)	293,126	(112)	293,014
12 Humboldt	1,161,745	(136,162)	1,025,583	-	1,025,583	-	1,025,583	-	1,025,583	(57,562)	968,021	(34,420)	933,601
13 Imperial	1,350,760	(206,099)	1,144,661	-	1,144,661	-	1,144,661	-	1,144,661	-	1,144,661	(69,386)	1,075,275
14 Inyo	878,321	(263,401)	614,920	-	614,920	-	614,920	-	614,920	-	614,920	(4,482)	610,438
15 Kern	6,688,247	(1,157,275)	5,530,972	-	5,530,972	-	5,530,972	-	5,530,972	(161,109)	5,369,863	(122,812)	5,247,051
16 Kings	1,115,601	(133,393)	982,208	-	982,208	-	982,208	-	982,208	(201,707)	780,501	(20,784)	759,717
17 Lake	424,070	(48,500)	375,570	-	375,570	-	375,570	-	375,570	(231,464)	144,106	(11,103)	133,003
18 Lassen	513,445	(83,282)	430,163	-	430,163	-	430,163	-	430,163	(41,842)	388,321	(8,760)	379,561
19 Los Angeles	89,771,310	(18,769,181)	71,002,129	-	71,002,129	-	71,002,129	-	71,002,129	(19,046,032)	51,956,097	(4,932,531)	47,023,566
20 Madera	1,207,998	(165,201)	1,042,797	-	1,042,797	-	1,042,797	-	1,042,797	-	1,042,797	(17,113)	1,025,684
21 Marin	2,700,045	(588,333)	2,111,712	-	2,111,712	-	2,111,712	-	2,111,712	-	2,111,712	(101,684)	2,010,028
22 Mariposa	135,457	-	135,457	-	135,457	-	135,457	-	135,457	-	135,457	(3,846)	131,611
23 Mendocino	948,837	(193,157)	755,680	(38,605)	717,075	-	717,075	-	717,075	(246,643)	470,432	(29,395)	441,037
24 Merced	2,093,355	(360,199)	1,733,156	-	1,733,156	-	1,733,156	-	1,733,156	(83,772)	1,649,384	(49,157)	1,600,227
25 Modoc	122,156	(17,427)	104,729	-	104,729	-	104,729	-	104,729	-	104,729	(931)	103,798
26 Mono	415,136	-	415,136	-	415,136	-	415,136	-	415,136	-	415,136	(5,389)	409,747
27 Monterey	3,855,457	(525,332)	3,330,125	-	3,330,125	-	3,330,125	-	3,330,125	(563,067)	2,767,058	(104,060)	2,662,998
28 Napa	874,219	(152,782)	721,437	(2,269)	719,168	-	719,168	-	719,168	-	719,168	(8,336)	710,832
29 Nevada	1,378,796	(158,110)	1,220,686	-	1,220,686	-	1,220,686	-	1,220,686	-	1,220,686	(22,739)	1,197,947
30 Orange	24,830,542	(5,257,732)	19,572,810	-	19,572,810	-	19,572,810	-	19,572,810	(2,797,167)	16,775,643	(1,172,159)	15,603,484
31 Placer	2,182,230	(938,476)	1,243,754	-	1,243,754	-	1,243,754	-	1,243,754	(333,386)	910,368	(74,901)	835,467
32 Plumas	225,080	(31,308)	193,772	-	193,772	-	193,772	-	193,772	(34,162)	159,610	(5,226)	154,384
33 Riverside	13,328,445	(5,646,701)	7,681,744	-	7,681,744	-	7,681,744	-	7,681,744	-	7,681,744	(573,196)	7,108,548
34 Sacramento	7,548,829	(1,108,556)	6,440,273	(503,069)	5,937,204	-	5,937,204	-	5,937,204	(3,651,494)	2,285,710	(456,018)	1,829,692
35 San Benito	346,451	(44,127)	302,324	-	302,324	-	302,324	-	302,324	(10,088)	292,236	(21,296)	270,940
36 San Bernardino	11,694,120	(2,601,740)	9,092,380	-	9,092,380	(581,187)	8,511,193	(348,000)	8,163,193	(4,202,181)	3,961,012	(635,308)	3,325,704
37 San Diego	21,410,586	(5,243,851)	16,166,735	-	16,166,735	-	16,166,735	-	16,166,735	(1,503,534)	14,663,201	(1,162,069)	13,501,132
38 San Francisco	5,925,950	(1,879,843)	4,046,107	-	4,046,107	-	4,046,107	-	4,046,107	-	4,046,107	(922,293)	3,123,814
39 San Joaquin	4,753,688	(1,190,853)	3,562,835	-	3,562,835	-	3,562,835	-	3,562,835	(1,239,420)	2,323,415	(164,612)	2,158,803
40 San Luis Obispo	2,573,968	(537,453)	2,036,515	-	2,036,515	-	2,036,515	-	2,036,515	(212,950)	1,823,565	(69,434)	1,754,131
41 San Mateo	7,124,638	(2,293,141)	4,831,497	-	4,831,497	-	4,831,497	-	4,831,497	(2,106,535)	2,724,962	(197,607)	2,527,355
42 Santa Barbara	4,094,288	(816,678)	3,277,610	-	3,277,610	-	3,277,610	-	3,277,610	(34,950)	3,242,660	(124,983)	3,117,677
43 Santa Clara	15,561,983	(3,964,400)	11,597,583	-	11,597,583	-	11,597,583	-	11,597,583	(2,500,000)	9,097,583	(636,290)	8,461,293
44 Santa Cruz	2,267,327	(365,231)	1,902,096	-	1,902,096	-	1,902,096	-	1,902,096	(331,940)	1,570,156	(74,465)	1,495,691
45 Shasta	1,198,773	(154,073)	1,044,700	-	1,044,700	-	1,044,700	-	1,044,700	(401,580)	643,120	(68,737)	574,383
46 Sierra	46,778	(4,245)	42,533	-	42,533	-	42,533	-	42,533	-	42,533	(723)	41,810
47 Siskiyou	801,329	(185,748)	615,581	-	615,581	-	615,581	-	615,581	(125,243)	490,338	(8,256)	482,082
48 Solano	3,757,059	(745,226)	3,011,833	(303,075)	2,708,758	-	2,708,758	-	2,708,758	(549,745)	2,159,013	(227,248)	1,931,765
49 Sonoma	2,851,883	(534,884)	2,316,999	-	2,316,999	-	2,316,999	-	2,316,999	(734,695)	1,582,304	(143,117)	1,439,187
50 Stanislaus	2,669,045	(813,876)	1,855,169	-	1,855,169	-	1,855,169	-	1,855,169	(600,860)	1,254,309	(174,382)	1,079,927
51 Sutter	802,574	(123,893)	678,681	-	678,681	-	678,681	-	678,681	-	678,681	(34,507)	644,174
52 Tehama	761,188	(120,885)	640,303	-	640,303	-	640,303	-	640,303	(4,941)	635,362	(7,404)	627,958
53 Trinity	137,087	-	137,087	-	137,087	-	137,087	-	137,087	(32,126)	104,961	(2,728)	102,233
54 Tulare	2,299,167	(458,745)	1,840,422	-	1,840,422	-	1,840,422	-	1,840,422	(405,601)	1,434,821	(89,135)	1,345,686
55 Tuolumne	440,496	(78,831)	361,665	-	361,665	-	361,665	-	361,665	(65,664)	296,001	(18,428)	277,573
56 Ventura	6,129,411	(1,554,062)	4,575,349	-	4,575,349	-	4,575,349	-	4,575,349	(1,898,388)	2,676,961	(393,467)	2,283,494

County Revenue Maintenance of Effort Obligations

AB 233, Stats. 1997, Ch. 850 GC 77201(b)(2) FY 1997-98		AB 233, Stats. 1997, Ch. 850 GC 77201.1(b)(2) FY 1998-99		AB 1590, Stats. 1998, Ch. 406 GC 77201.1(b)(2) FY 1998-99		AB 2788, Stats. 1998, Ch. 1017 GC 77201.1(b)(2) FY 1999-00		SB 815, Stats. 2000, Ch. 671 GC 77201.1(b)(2) FY 1999-00 to FY 2005-06		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After ¹		AB 227, Stats. 2007, Ch. 383 GC 77201.3(a)(2) FY 2006-07 & After ²		
Court	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	Adjustment	Amount	
57	Yolo	1,516,065	(357,436)	1,158,629	(277,831)	880,798	-	880,798	-	880,798	(365,844)	514,954	(50,924)	464,030
58	Yuba	402,077	(83,835)	318,242	(28,917)	289,325	-	289,325	-	289,325	-	289,325	(15,888)	273,437
	Total	\$ 291,415,374	\$ (66,224,674)	\$ 225,190,700	\$ (1,153,766)	\$ 224,036,934	\$ (581,187)	\$ 223,455,747	\$ (459,353)	\$ 222,996,394	\$ (48,302,728)	\$ 174,693,666	\$ (14,243,250)	\$ 160,450,416
	Counties	58	54	58	6	58	1	58	3	58	38	58	58	58

1. Adjustments for county buyouts pursuant to GC section 68085.7 (civil assessment). Pursuant to GC 77201.3(a)(2)(B), Santa Clara County's obligation can be reduced by up to \$2.5 million based on the level of net civil assessment revenues collected by Santa Clara Superior Court and Santa Clara County each fiscal year.

2. Adjustments for county buyouts pursuant to GC section 68085.2 (AB 233 civil fees). Half of the adjustment amount was applied in FY 2005-06.

AB 1759 (Stats. 2003, ch. 159) mandated that the AOC and the California State Association of Counties (CSAC) develop by January 1, 2005, an equitable long-term distribution of specified filing and miscellaneous fees, sanctions and penalties heretofore known as undesignated fees and listed in GC 68085.5(a), (b) and (f) to take effect July 1, 2005. Included in these undesignated fees was the civil assessment imposed pursuant to PC 1214.1. In addition, AB 1759 required that all fines and fees not currently a part of local revenue sharing agreements were to be remitted by the counties to the TCTF in an amount not to exceed \$31 million. The General Fund appropriation for the trial courts was then reduced by \$31 million, with the intention that there would be no change in revenues to the courts statewide.

Maintenance of Effort-Related Statutes

Government Code section 77201.

(a) Commencing on July 1, 1997, no county shall be responsible for funding court operations, as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007.

(b) In the 1997–98 fiscal year, each county shall remit to the state in installments due on January 1, April 1, and June 30, the amounts specified in paragraphs (1) and (2), as follows:

(1) Except as otherwise specifically provided in this section, each county shall remit to the state the amount listed below which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year:

(2) Except as otherwise specifically provided in this section, each county shall also remit to the state the amount listed below which is based on an amount of fine and forfeiture revenue remitted to the state pursuant to Sections 27361 and 76000 of this code, Sections 1463.001 and 1464 of the Penal Code, and Sections 42007, 42007.1, and 42008 of the Vehicle Code during the 1994–95 fiscal year:

(3) The installment due on January 1 shall be for 25 percent of the amounts specified in paragraphs (1) and (2). The installments due on April 1 and June 30 shall be prorated uniformly to reflect any adjustments made by the Department of Finance, as provided in this section. If no adjustment is made by April 1, 1998, the April 1, 1998, installment shall be for 15 percent of the amounts specified in paragraphs (1) and (2). If no adjustment is made by June 30, 1998, the June 30, 1998, installment shall be for the balance of the amounts specified in paragraphs (1) and (2).

(4) Except as otherwise specifically provided in this section, county remittances specified in paragraphs (1) and (2) shall not be increased in subsequent years.

(5) Any change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (A) the fees, fines, and forfeitures retained by that county and (B) the county's portion of fines and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county's remittance specified in paragraph (2) by an equal amount. Nothing in this paragraph is intended to limit judicial sentencing discretion.

(c) The Department of Finance shall adjust the amount specified in paragraph (1) of subdivision (b) that a county is required to submit to the state, pursuant to the following:

(1) A county shall submit a declaration to the Department of Finance, no later than February 15, 1998, that the amount it is required to submit to the state pursuant to paragraph (1) of subdivision (b) either includes or does not include the costs for local judicial benefits which are court operation costs as defined in Section 77003 and Rule 10.810 of the California Rules of Court. The trial courts in a county that submits such a declaration shall be given a copy of the declaration and the opportunity to comment on the validity of the statements in the declaration. The Department of Finance shall verify the facts in the county's declaration and comments, if any. Upon verification that the amount the county is required to submit to the state includes the costs of local judicial benefits, the department shall reduce on or before June 30, 1998, the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) by an amount equal to the cost of those judicial benefits, in which case the county shall continue to be responsible for the cost of those benefits. If a county disagrees with the Department of Finance's failure to verify the facts in the county's declaration and reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b), the county may request that the Controller conduct an audit to verify the facts in the county's declaration. The Controller shall conduct the requested audit which shall be at the requesting county's expense. If the Controller's audit verifies the facts in the county's declaration, the department shall reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) by an amount equal to the amount verified by the Controller's audit and the state shall reimburse the requesting county for the cost of the audit.

(d) The Department of Finance shall adjust the amount specified in paragraph (1) of subdivision (b) of Section 77201.1 that a county is required to submit to the state, pursuant to the following procedures:

(1) A county may submit a declaration to the Department of Finance, no later than February 15, 1998, that declares that (A) the county incorrectly reported county costs as court operations costs as defined in Section 77003 in the 1994–95 fiscal year, and that incorrect report resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too high, (B) the

amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) includes amounts that were specifically appropriated, funded, and expended by a county or city and county during the 1994–95 fiscal year to fund extraordinary one-time expenditures for court operation costs, or (C) the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) includes expenses that were funded from grants or subventions from any source, for court operation costs that could not have been funded without those grants or subventions being available. A county submitting that declaration shall concurrently transmit a copy of the declaration to the trial courts of that county. The trial courts in a county that submits that declaration shall have the opportunity to comment to the Department of Finance on the validity of the statements in the declaration. Upon receipt of the declaration and comments, if any, the Department of Finance shall determine and certify which costs identified in the county's declaration were incorrectly reported as court operation costs or were expended for extraordinary one-time expenditures or funded from grants or subventions in the 1994–95 fiscal year. The Department of Finance shall reduce the amount a county must submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount the department certifies was incorrectly reported as court operations costs or were expended for extraordinary one-time expense or funded from grants or subventions in the 1994–95 fiscal year. If a county disagrees with the Department of Finance's failure to verify the facts in the county's declaration and reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1, the county may request that the Controller conduct an audit to verify the facts in the county's declaration. The Controller shall conduct the requested audit, which shall be at the requesting county's expense. If the Controller's audit verifies the facts in the county's declaration, the department shall reduce the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount verified by the Controller's audit and the state shall reimburse the requesting county for the cost of the audit. A county shall provide, at no charge to the court, any service for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 was

adjusted downward, if the county is required to provide that service at no cost to the court by any other provision of law.

(2) A court may submit a declaration to the Department of Finance, no later than February 15, 1998, that the county failed to report county costs as court operations costs as defined in Section 77003 in the 1994–95 fiscal year, and that this failure resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too low. A court submitting that declaration shall concurrently transmit a copy of the declaration to the county. A county shall have the opportunity to comment to the Department of Finance on the validity of statements in the declaration and comments, if any. Upon receipt of the declaration, the Department of Finance shall determine and certify which costs identified in the court’s declaration should have been reported by the county as court operation costs in the 1994–95 fiscal year and whether this failure resulted in the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) being too low. The Department of Finance shall notify the county, the trial courts in the county, and the Judicial Council of its certification and decision. Within 30 days, the county shall either notify the Department of Finance, trial courts in the county, and the Judicial Council that the county shall assume responsibility for the costs the county has failed to report, or that the department shall increase the amount the county is required to submit to the state pursuant to paragraph (1) of subdivision (b) of Section 77201.1 by an amount equal to the amount certified by the department. A county shall not be required to continue to provide services for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 was adjusted upward.

(e) The Legislature hereby finds and declares that to ensure an orderly transition to state trial court funding, it is necessary to delay the adjustments to county obligation payments provided for by Article 3 (commencing with Section 77200) of Chapter 13 of Title 8, as added by Chapter 850 of the Statutes of 1997, until the 1998–99 fiscal year. The Legislature also finds and declares that since increase adjustments to the county obligation amounts will not take effect in the 1997–98 fiscal year, county charges for those services related to the increase adjustments shall not occur in the 1997–98 fiscal year. It is recognized that the counties have an obligation to provide, and the trial courts have an obligation to pay, for services provided by the county pursuant

to Section 77212. In the 1997–98 fiscal year, the counties shall charge for, and the courts shall pay, these obligations consistent with paragraphs (1) and (2).

(1) For the 1997–98 fiscal year, a county shall reduce the charges to a court for those services for which the amount in paragraph (1) of subdivision (b) of Section 77201.1 is adjusted upward, by an amount equal to the lesser of the following:

(A) The amount of the increase adjustment certified by the department pursuant to paragraph (2) of subdivision (d).

(B) The difference between the actual amount charged and paid for from the trial court operations fund, and the amount charged in the 1994–95 fiscal year.

(2) For the 1997–98 fiscal year, any funds paid out of the trial court operations fund established pursuant to Section 77009 during the 1997–98 fiscal year to pay for those services for which there was an upward adjustment, shall be returned to the trial court operations fund in the amount equal to the lesser of the following:

(A) The amount of the increase adjustment certified by the department pursuant to paragraph (2) of subdivision (d).

(B) The difference between the actual amount charged and paid for from the trial court operations fund, and the amount charged in the 1994–95 fiscal year.

(3) The Judicial Council shall reduce the allocation to the courts by an amount equal to the amount of any increase adjustment certified by the Department of Finance, if the cost of those services was used in determining the Judicial Council’s allocation of funding for the 1997–98 fiscal year.

(4) In the event the charges are not reduced as provided in paragraph (1) or the funds are not returned to the trial court operations fund as provided in paragraph (2), the trial court operations fund shall be refunded for the 1998–99 fiscal year. Funds provided to the trial court operations fund pursuant to this paragraph shall be available to the trial courts to meet financial obligations incurred during the 1997–98 fiscal year. To the extent that a trial court receives total resources for trial court funding from the county and the state for the 1997–98 fiscal year that exceeded the amount of the allocation approved by the Judicial Council by November 30, 1997, these amounts shall be available for expenditure in the 1998–99 fiscal year and the Judicial

Council shall reduce the 1998–99 fiscal year allocation of the court by an equal amount.

(f) Nothing in this section is intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 68073.

(g) Nothing in this section is intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of Division of Juvenile Justice charges.

(h) The Department of Finance shall notify the county, trial courts in the county, and Judicial Council of the final decision and resulting adjustment.

(i) On or before February 15, 1998, each county shall submit to the Department of Finance a report of the amount it expended for trial court operations as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007, between the start of the 1997–98 fiscal year and the effective date of this section. The department shall reduce the amount a county is required to remit to the state pursuant to paragraph (1) of subdivision (b) in the 1997–98 fiscal year by an amount equal to the amount a county expended for court operation costs between the start of the 1997–98 fiscal year and the effective date of this section. The department shall also reduce the amount a county is required to remit to the state pursuant to paragraph (2) of subdivision (b) in the 1997–98 fiscal year by an amount equal to the amount of fine and forfeiture revenue that a county remitted to the state between the start of the 1997–98 fiscal year and the effective date of this section. The department shall notify the county, the trial courts of the county, and the Judicial Council of the amount it has reduced a county’s obligation to remit to the state pursuant to this subdivision.

Government Code section 77201.1.

(a) Commencing on July 1, 1997, no county shall be responsible for funding court operations, as defined in Section 77003 and Rule 10.810 of the California Rules of Court as it read on January 1, 2007.

(b) Commencing in the 1999–2000 fiscal year, and each fiscal year thereafter until the 2006–07 fiscal year, each county shall remit to the state in four equal installments due on October 1, January 1, April 1, and May 1, the amounts specified in paragraphs (1) and (2). For the purpose of determining the counties' payments commencing in the 2006–07 fiscal year, and each fiscal year thereafter, the amounts listed in subdivision (a) of Section 77201.3 shall be used in lieu of the amounts listed in this subdivision.

(1) Except as otherwise specifically provided in this section, each county shall remit to the state the amount listed below, which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year:

(2) Except as otherwise specifically provided in this section, each county shall also remit to the state the amount listed below, which is based on an amount of fee, fine, and forfeiture revenue remitted to the state pursuant to Sections 27361 and 76000 of this code, Sections 1463.001, 1463.07, and 1464 of the Penal Code, and Sections 42007, 42007.1, and 42008 of the Vehicle Code during the 1994–95 fiscal year:

(3) Except as otherwise specifically provided in this section, county remittances specified in paragraphs (1) and (2) shall not be increased in subsequent years.

(4) Except for those counties with a population of 70,000 or fewer on January 1, 1996, the amount a county is required to remit pursuant to paragraph (1) shall be adjusted by the amount equal to any adjustment resulting from the procedures in subdivisions (c) and (d) of Section 77201 as that section read on June 30, 1998, to the extent a county filed an appeal with the Controller with respect to the findings made by the Department of Finance. This paragraph shall not be construed to establish a new appeal process beyond what was provided by Section 77201, as that section read on June 30, 1998.

(5) A change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (A) the fees, fines, and forfeitures retained by that county, and (B) the county's portion of

finances and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county’s remittance specified in paragraph (2) of this subdivision by an equal amount. This paragraph is not intended to limit judicial sentencing discretion.

(6) In the 2005–06 fiscal year, the amount that the County of Santa Clara is required to remit to the state under paragraph (2) shall be reduced as described in this paragraph, rather than as described in subdivision (b) of Section 68085.7. It is the intent of the Legislature that this paragraph have retroactive effect.

(A) For the County of Santa Clara, the remittance under this subdivision for the 2005–06 fiscal year shall be reduced by an amount equal to one-half of the amount calculated by subtracting the budget reduction for the Superior Court of Santa Clara County for that fiscal year attributable to the reduction of the counties’ payment obligation from thirty-one million dollars (\$31,000,000) pursuant to subdivision (a) of Section 68085.6 from the net civil assessments received in that county in that fiscal year. “Net civil assessments” as used in this paragraph means the amount of civil assessments collected minus the costs of collecting those civil assessments, under the guidelines of the Controller.

(B) The reduction under this paragraph of the amount that the County of Santa Clara is required to remit to the state for the 2005–06 fiscal year shall not exceed two million five hundred thousand dollars (\$2,500,000). If the reduction reaches two million five hundred thousand dollars (\$2,500,000), the amount the county is required to remit to the state under paragraph (2) of subdivision (a) of Section 77201.3 in each subsequent fiscal year shall be eight million four hundred sixty-one thousand two hundred ninety-three dollars (\$8,461,293).

(C) This paragraph does not affect the reduction of the annual remittance for the County of Santa Clara as provided in Section 68085.2.

(7) Notwithstanding the changes to the amounts in paragraph (2) made by Section 68085.7 or any other section, the amounts in paragraph (2) shall not be changed for purposes of the calculation required by subdivision (a) of Section 77205.

(c) This section is not intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 70311.

(d) This section is not intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of juvenile justice charges.

(e) County base year remittance requirements specified in paragraph (2) of subdivision (b) incorporate specific reductions to reflect those instances where the Department of Finance has determined that a county's remittance to both the General Fund and the Trial Court Trust Fund during the 1994–95 fiscal year exceeded the aggregate amount of state funding from the General Fund and the Trial Court Trust Fund. The amount of the reduction was determined by calculating the difference between the amount the county remitted to the General Fund and the Trial Court Trust Fund and the aggregate amount of state support from the General Fund and the Trial Court Trust Fund allocated to the county's trial courts. In making its determination of whether a county is entitled to a reduction pursuant to paragraph (2) of subdivision (b), the Department of Finance subtracted from county revenues remitted to the state, all moneys derived from the fee required by Section 42007.1 of the Vehicle Code and the parking surcharge required by subdivision (c) of Section 76000 of this code.

(f) Notwithstanding subdivision (e), the Department of Finance shall not reduce a county's base year remittance requirement, as specified in paragraph (2) of subdivision (b), if the county's trial court funding allocation was modified pursuant to the amendments to the allocation formula set forth in paragraph (4) of subdivision (d) of Section 77200, as amended by Chapter 2 of the Statutes of 1993, to provide a stable level of funding for small county courts in response to reductions in the General Fund support for the trial courts.

(g) In any fiscal year in which a county of the first class pays the employer-paid retirement contribution for court employees, or other employees of the county who provide a service to the court, and the amounts of those payments are charged to the budget of the courts, the sum the county is required to pay to the state pursuant to paragraph (1) of subdivision (b) shall be increased by the actual amount charged to the trial court up to twenty-three million five hundred twenty-seven thousand nine hundred forty-nine dollars (\$23,527,949) in that fiscal year. The county and the trial court shall

report to the Controller and the Department of Finance the actual amount charged in that fiscal year.

Government Code section 77201.3.

(a) Commencing with the 2006–07 fiscal year, and each fiscal year thereafter, except as otherwise specifically provided in this section, each county shall remit to the state the amounts described in this subdivision in four equal installments due on October 1, January 1, April 1, and May 1. The amounts listed in this subdivision are in lieu of the amounts listed in subdivision (b) of Section 77201.1. However, for purposes of the calculation required by subdivision (a) of Section 77205, the amounts in paragraph (2) of subdivision (b) of Section 77201.1 shall be used.

(1) Each county shall remit to the state the amount listed below, which is based on an amount expended by the respective county for court operations during the 1994–95 fiscal year. The amount listed for Los Angeles County includes the twenty-three million five hundred twenty-seven thousand nine hundred forty-nine dollars (\$23,527,949) increase required by subdivision (g) of Section 77201.1.

(2) (A) This paragraph sets forth the amount of the revenue maintenance of effort payment as modified by the reductions in Sections 68085.2 and 68085.7, including, if applicable, any adjustment made pursuant to paragraph (1) of subdivision (b) of Section 68085.8.

(B) The amount remitted by the County of Santa Clara shall be ten million nine hundred sixty-one thousand two hundred ninety-three dollars (\$10,961,293) reduced as described in clauses (i) and (ii).

(i) The amount remitted by the County of Santa Clara pursuant to this paragraph for each fiscal year shall be reduced by an amount equal to one-half of the amount calculated by subtracting the budget reduction for the Superior Court of Santa Clara County for that fiscal year attributable to the reduction of the counties' payment obligation from thirty-one million dollars (\$31,000,000) pursuant to subdivision (a) of Section 68085.6 from the net civil assessments received in that county in that fiscal year. "Net civil assessments" as used in this paragraph means the amount of civil assessments collected minus the costs of collecting those civil assessments, under the guidelines of the Controller.

(ii) The reduction calculated pursuant to paragraph (i) shall not exceed two million five hundred thousand dollars (\$2,500,000) in any fiscal year. If the reduction for a fiscal year reaches two million five hundred thousand dollars (\$2,500,000), the amount that the county is required to remit to the state under this paragraph in that fiscal year and in

each subsequent fiscal year shall be eight million four hundred sixty-one thousand two hundred ninety-three dollars (\$8,461,293).

(b) Except as otherwise specifically provided in this section, county remittances specified in subdivision (a) shall not be increased in subsequent years.

(c) Except for those counties with a population of 70,000, or less, on January 1, 1996, the amount a county is required to remit pursuant to paragraph (1) of subdivision (a) shall be adjusted by the amount equal to any adjustment resulting from the procedures in subdivisions (c) and (d) of Section 77201 as that section read on June 30, 1998, to the extent a county filed an appeal with the Controller with respect to the findings made by the Department of Finance. This subdivision shall not be construed to establish a new appeal process beyond what was provided by Section 77201, as that section read on June 30, 1998.

(d) Any change in statute or rule of court that either reduces the bail schedule or redirects or reduces a county's portion of fee, fine, and forfeiture revenue to an amount that is less than (1) the fees, fines, and forfeitures retained by that county, and (2) the county's portion of fines and forfeitures transmitted to the state in the 1994–95 fiscal year, shall reduce that county's remittance specified in paragraph (2) of subdivision (a) by an equal amount. Nothing in this subdivision is intended to limit judicial sentencing discretion.

(e) Nothing in this section is intended to relieve a county of the responsibility to provide necessary and suitable court facilities pursuant to Section 68073.

(f) Nothing in this section is intended to relieve a county of the responsibility for justice-related expenses not included in Section 77003 which are otherwise required of the county by law, including, but not limited to, indigent defense representation and investigation, and payment of juvenile justice charges.

Government Code section 68085.2.

(a) Notwithstanding Section 77201.1, commencing with the 2005-06 fiscal year, the amount of each county's annual remittance to the Trial Court Trust Fund under paragraph (2) of subdivision (b) of Section 77201.1 shall be reduced by the amount determined under this section. In the 2005–06 fiscal year, the remittance shall be reduced by one-half the amount determined in subdivision (b). In the 2006–07 fiscal year and thereafter, the remittance shall be reduced in each fiscal year by the full amount determined in subdivision (b).

(b) The amount of the reduction under this section for each county shall be the actual receipts into the county general fund for retention by the county for civil fees under Sections 26823, 26827.4, 26830, 26832, 26832.1, 26833.1, 26835.1, 26836.1, 26837.1, 26838, 26850.1, 26851.1, 26852.1, 26853.1, 26855.4, and 72060 of this code and Section 116.230 of the Code of Civil Procedure for the fiscal year ending June 30, 2004. This reduction is intended to compensate the counties for the loss of the revenue, as measured by receipts for the 2003–04 fiscal year, that was allocated to them from these fees by statute before January 1, 2006.

(c) In each county, the superior court and the county shall exchange relevant information to determine the amount of reduction they believe is correct under subdivision (b) and jointly report it to the California State Association of Counties (CSAC) and the Administrative Office of the Courts (AOC) on or before January 1, 2006. If the superior court and the county do not agree on the amount, the superior court and the county shall each report the amount it believes is correct to the CSAC and the AOC on or before January 1, 2006.

(d) The AOC and the CSAC shall agree on the amount of the reduction for each county on or before January 1, 2006. If a court or county disagrees with the amount agreed to by the AOC and the CSAC for that county, the court or county may appeal to the AOC and the CSAC for an adjustment. The CSAC and the AOC shall determine whether to make any requested adjustment.

(e) If the CSAC and the AOC do not agree on the amount of the reduction for a county, they may request a mutually agreed-upon third party to arbitrate and determine the amount. The amount shall be determined by March 1, 2006.

Government Code section 68085.7.

(a) (1) Notwithstanding any other provision of law, Section 68085.5 does not apply to the following fees and fines collected on or after July 1, 2005: any fees and fines specified in subdivision (a) or (b) of Section 68085.5, Section 177.5 or 1218 of the Code of Civil Procedure, or Section 166 or 1214.1 of the Penal Code. Commencing July 1, 2005, these fees and fines shall be distributed as provided by Section 68085, except that the fees listed in subdivision (b) of Section 68085.5 and the fee in Section 1835 of the Probate Code shall be distributed to the court or the county, whichever provided the services for which the fee is charged or incurred the costs reimbursed by the fee.

(2) Notwithstanding any other provision of law, until January 1, 2006, upon direction of the Administrative Office of the Courts, the court and the county shall deposit the money each collects under the sections listed in paragraph (2) of subdivision (c) of Section 68085 as soon as practicable after collection and on a regular basis into a bank account established for this purpose and specified by the Administrative Office of the Courts. The deposits shall be made as required by rules adopted by and financial policies and procedures authorized by the Judicial Council under subdivision (a) of Section 77206 of the Government Code. Within 15 days after the end of the month in which the money is collected, the court and the county each shall provide the Administrative Office of the Courts with a report of the money it collects, as specified by the Administrative Office of the Courts. The money shall be transmitted to the State Controller for deposit in the Trial Court Trust Fund by the Administrative Office of the Courts.

(3) Commencing January 1, 2006, the fees and fines listed in Section 68085.5 shall be distributed as provided by Section 68085.1, or if no provision is made in Section 68085.1, as specified in the section that provides for the fee or fine. The fees in Sections 26840.1, 26847, 26854, 26855.1, 26855.2, and 27293 shall be distributed to the county.

(b) Commencing July 1, 2005, in each fiscal year, the amount of each county's annual remittance to the state Trial Court Trust Fund under paragraph (2) of subdivision (b) of Section 77201.1 shall be reduced by the amount that the county received from civil assessments under Section 1214.1 of the Penal Code, after deducting the cost of collecting those civil assessments as defined in subdivision (f), in the 2003-04 fiscal year. The reduction provided by this subdivision for the 2005-06

fiscal year shall apply only to a county that transmits to the Trial Court Trust Fund any money received by the county between July 1, 2005, and the effective date of this section that would have been transmitted to the Trial Court Trust Fund pursuant to subdivision (a), and the amendments to Section 68085 of this code and Section 1214.1 of the Penal Code, if this section had been effective on July 1, 2005.

(c) The amount of the reduction under this section for each county shall be determined by agreement between the Administrative Office of the Courts (AOC) and the California State Association of Counties (CSAC). Each county and each superior court shall exchange relevant factual information to determine and jointly report to the AOC and the CSAC the total amount the county received from civil assessments for the 2003-04 fiscal year, both gross and net after costs, on or before August 31, 2005. If the court and the county do not agree on the amount, the court and the county shall each report the amount each believes is correct to the AOC and the CSAC on or before August 31, 2005.

(d) The AOC and the CSAC shall agree on the amount of the reduction for each county under this section on or before October 31, 2005. If a court or county disagrees with the amount agreed to by the AOC and the CSAC for that county, the court or county may appeal to the AOC and the CSAC for an adjustment. The AOC and the CSAC shall determine whether to make any requested adjustment.

(e) If the AOC and the CSAC do not agree on the amount of the reduction for a county, they may request a mutually agreed-upon third party to arbitrate and determine the amount. The amount shall be determined on or before December 31, 2005.

(f) Guidelines of the Controller shall apply to the determination of revenues from civil assessments under Section 1214.1 of the Penal Code. The costs of collecting civil assessments applied in determining net civil assessments are only those costs used to collect those civil assessments.

LOCAL AGREEMENTS REGARDING USE OF CIVIL ASSESSMENT REVENUES

Court	Response	Description	Key cites from contract	Civil assessment obligation
Alameda	Agreement Provided (2014 Intra-Branch Agreement, JC-court, plus 2017 First Amendment)	East County Courthouse Construction. Commencing after 6/20/2014, distributions to court from Trial Court Trust Fund (TCTF) to be reduced by total cumulative sum of \$20,800,000. Starting in fiscal 2014-15, annual distributions to court from TCTF to be \$2M less than otherwise owed, and court required to pay an annual \$2M contribution of civil assessment revenues towards East County Courthouse construction. Agreement amended 6/2/2017 to provide court's civil assessment contribution would be reduced in 2017-18 by \$650,000 to \$1,350,000. Commencing in fiscal 2018-19, annual contribution (of \$2M) to resume and increase by a cumulative total of \$650,000 to be paid through fiscal 2021-22 in amounts/times of court's choosing (i.e., a cumulative total of \$650K above the annual \$2M contribution must be repaid by 2021-22).	Secs. 2.1, 3.1, 3.2 and First Amendment at Recitals B and D and sec. 2.	\$2,000,000/year, except that for fiscal 2017-18 amount reduced to \$1,350,000. In subsequent fiscal years through fiscal 2021-22, amount owed reverts to \$2M/year plus whatever portion of the cumulative total of \$650K (i.e., the portion of the \$2M unpaid in 2017-18) court chooses to pay each year (i.e., entire \$650K loan must be paid by end of fiscal 2021-22).
Alpine	No Response			0
Amador	No Agreement Provided			0
Butte	No Response			0
Calaveras	No Agreement Provided			0
Colusa	No Agreement Provided			0
Contra Costa	No Agreement Provided			0
Del Norte	No Response			0
El Dorado	No Agreement Provided			0
Fresno	Agreement Provided (2005 MOU between court and county)	Court Facilities and Related Needs (Selma Courthouse and related tenant improvements, new juvenile delinquency court). Net revenues collected in the amount of \$250 per civil assessment minus allowable costs provided pursuant to PC sec. 1463.007 to be deposited in Civil Assessment Trust Fund (CATF) established in 2000 agreement between county and court. Funds in CATF to be distributed monthly to county (for costs of tenant improvements, lease payments for Selma Courthouse and monthly debt service on bonds that financed the Juvenile Courthouse) and to court. In addition to this distribution from the CATF, revenue from civil assessments in excess of \$250 per CA shall be the property of the court to be used exclusively by it for its facility needs as determined by the court in its sole discretion.	Secs. 1 & 2.	TBD (annual amounts of civil assessment funds committed to court not set forth in MOU). Term of agreement is not to exceed 20 years (sec. 2(d)), i.e., is not to extend past 2025.
Glenn	No Agreement Provided			0
Humboldt	No Agreement Provided			0
Imperial	No Agreement Provided			0
Inyo	No Response			0
Kern	No Agreement Provided			0
Kings	No Agreement Provided			0
Lake	No Response			0
Lassen	No Agreement Provided			0
Los Angeles	No Response			0
Madera	No Agreement Provided			0
Marin	Agreement Provided (2016 MOU between court and county)	No Obligation		0
Mariposa	No Agreement Provided			0
Mendocino	No Agreement Provided			0

LOCAL AGREEMENTS REGARDING USE OF CIVIL ASSESSMENT REVENUES

Court	Response	Description	Key cites from contract	Civil assessment obligation
Merced	Agreement Provided (2005 MOU between county and JC)	Merced Courthouse Construction. County has sole responsibility for courthouse construction, with court to provide civil assessment funds as established in MOU Exhibits C and E-1 or E-2. All civil assessments provided by court must be used to repay county's bonded indebtedness or as permitted in the MOU, including \$310K/year (for a period not to exceed December 2038) to repay the county's bonded indebtedness (i.e., apparently the court itself may not use any civil assessment funds).	Secs. 2.7, 4.1; Exh. C (2003 Trial Court Facilities Agreement between court and county) at sec. 4.); Exhs. E-1 (summary sheet entitled "New Proposed Justice Facility With State Funding") & E-2 ("New Proposed Budget Facility w/o State Funding")	\$310,000 annually until no later than December 2038
Modoc	No Response			0
Mono	No Agreement Provided			0
Monterey	Document Provided ("Superior Court of California Request for Court-Funded Project (non-CCF)")	Request document is a form (OCCM2 revised 10/23/08) with spaces to describe "project funding", "source of funding", "nature of project", "scope of work", court operations the project will serve, costs, schedule, etc. Under item #1, "project funding", a \$50K/year payment is described. Specifically, the state is to pay this sum to offset the cost to the county of a juror shuttle service between AMTRAK station parking lot and the court's administrative building parking lot. Following item #2, "source(s) of funding" is the language "civil assessment revenue". The annual \$50k payment is to be made pursuant to "an agreed-upon cost sharing arrangement described in the Transfer Agreement Between the Judicial council of California...and the County of Monterey, for the Transfer of Responsibility for Court Facility--Salinas Courthouse North Wing".	Form item Nos. 1, 2, 4 and 5	\$50,000 annually, in arrears, due June 15 starting June 15, 2009 and lasting for so long as parking at the court & county facilities remains restricted due to ongoing construction/placement of modulars. (Amount for 2008-09 is pro-rated sum of \$4,166.67.)
Napa	Agreement Provided (Attachment C to unidentified MOU between "County and the Courts")	No Obligation. Civil assessment funds under Penal Code sec. 1214.1 (among other funds)--"to the extent not prohibited by law"--to be deposited in the Trial Court Operations Fund "for the exclusive use of Court".		0
Nevada	No Agreement Provided			0
Orange	No Agreement Provided			0
Placer	No Agreement Provided			0
Plumas	No Agreement Provided			0
Riverside	No Agreement Provided			0
Sacramento	Agreement Provided (Certification of FY 2003-04 Civil Assessment Revenue, Offset and Distribution)	No Obligation. The Certification sets forth the county's calculation of gross collections of civil assessments by the court and the county, the cost of obtaining those collections, and the court's net share of collections & the county's net share of collections, respectively. The Certification does not address the use of civil assessment funds that are collected or the account(s) into which the civil assessment funds are to be deposited.		0
San Benito	No Agreement Provided			0
San Bernardino	No Agreement Provided			0
San Diego	No Response			0
San Francisco	No Response			0
San Joaquin	No Agreement Provided			0

LOCAL AGREEMENTS REGARDING USE OF CIVIL ASSESSMENT REVENUES

Court	Response	Description	Key cites from contract	Civil assessment obligation
San Luis Obispo	No Response			0
San Mateo	No Agreement Provided			0
Santa Barbara	No Response			0
Santa Clara	Agreement Provided (2017 First Amendment to Intra-Branch Agreement between JC and the court regarding court's financial commitments to the Family Justice Center Project)	Family Justice Center Construction. The court must contribute \$1.5M in civil assessment funds annually to the Immediate and Critical Needs Account (ICNA) from fiscal year 2009-10 through 2042-43 to fund the construction of the Family Justice Center.	Sec. 3	\$1,500,000 (reduced from \$2,500,000 Civil Assessment Contribution called for in original intra-branch agreement because the amount of net civil assessments collected had substantially declined over the term of the original agreement). Term: fiscal 2009-10 through fiscal 2042-43.
Santa Cruz	Agreement Provided (2007 Agreement between the county and the court for AB 139 Civil Assessments/Equity Adjustment for Financing Watsonville Court Facility)	Watsonville Superior Court Construction. Passage of A.B. 139 cut off the county's access to civil assessment funds that had previously been used to finance the county's debt service for the Watsonville court. The Agreement was necessary to allow the county to tap the court's civil assessment funds to offset the county's debt service for tenant improvements for the Watsonville court. The Agreement requires the court to transfer \$75K annually (from fiscal year 2007-08 through 2035-36) to the county for this purpose.	Secs. 1 & 4	\$75,000 annually from fiscal 2007-08 through fiscal 2035-36
Shasta	Agreement Provided (2006 MOU between county and court)	No commitment. MOU was superseded by a subsequent transfer agreement.		No commitment
Sierra	No Response			0
Siskiyou	Agreement Provided (MOU between court and county)	No Obligation		0
Solano	Agreement Provided (Certification of FY 2003-04 Civil Assessment Revenue, Offset and Distribution)	No Obligation. The Certification sets forth the county's calculation of gross collections of civil assessments by the court and the county, the cost of obtaining those collections, and the court's net share of collections & the county's net share of collections, respectively. The Certification does not address the use of civil assessment funds that are collected or the account(s) into which the civil assessment funds are to be deposited.		0
Sonoma	No Response			0
Stanislaus	No Response			0
Sutter	No Agreement Provided			0
Tehama	No Response			0
Trinity	No Response			0
Tulare	No Response			0
Tuolumne	No Agreement Provided			0
Ventura	No Agreement Provided			0
Yolo	No Response			0
Yuba	No Response			0

**Civil Assessment Revenue Remitted by Court
For Fiscal Years 2011-2012 through 2016-17**

Court	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-17	FY 2017-18	Buyout Amount
Alameda	3,934,741	7,525,255	9,102,313	9,752,809	9,129,048	7,349,955	6,201,260	1,796,656
Alpine	7,865	12,926	8,366	6,473	5,733	7,636	13,937	-
Amador	51,823	44,932	54,234	45,085	45,360	31,624	54,131	-
Butte	759,632	712,086	611,444	658,325	637,597	693,609	674,697	365,845
Calaveras	149,248	124,036	136,821	108,015	91,932	89,917	66,289	-
Colusa	36,426	115,836	138,792	122,986	111,334	118,976	111,255	-
Contra Costa	7,601,759	7,727,236	6,700,681	7,155,262	5,552,852	4,941,785	4,327,680	1,045,423
Del Norte	164,724	156,003	87,040	76,982	17,951	51,854	46,761	-
El Dorado	701,240	796,034	743,256	682,121	542,474	435,906	282,555	251,264
Fresno	5,323,615	4,867,886	3,504,721	5,481,995	4,507,027	2,311,215	2,535,376	-
Glenn	151,539	118,147	91,966	98,545	248,884	251,855	201,578	67,848
Humboldt	825,312	984,389	958,424	1,059,560	949,032	815,903	641,783	57,562
Imperial	1,329,532	1,244,086	1,174,733	1,319,796	991,602	849,132	723,944	-
Inyo	49,832	85,077	78,394	86,654	76,810	76,774	51,780	-
Kern	3,701,554	4,249,801	4,212,308	4,682,089	3,598,102	3,906,383	3,716,008	161,109
Kings	633,890	628,288	698,858	732,578	394,647	349,543	509,875	201,707
Lake	257,099	273,447	226,175	187,410	139,973	214,399	182,165	231,464
Lassen	206,183	136,754	127,276	135,625	120,157	105,222	129,248	41,842
Los Angeles	28,343,860	27,378,859	26,907,869	27,958,711	20,933,375	17,127,745	15,935,997	19,046,032
Madera	542,902	518,525	525,755	612,742	517,459	527,296	381,859	-
Marin	712,235	760,227	712,279	666,850	535,460	675,888	722,957	-
Mariposa	28,420	34,648	38,074	77,040	67,644	62,231	67,027	-
Mendocino	447,115	363,763	365,113	334,731	300,432	334,307	371,568	246,643
Merced	1,497,897	1,585,633	1,515,981	1,413,603	403,518	526,970	503,875	83,772
Modoc	11,103	8,001	10,542	6,209	7,359	9,135	5,907	-
Mono	-	-	15,221	62,682	91,432	107,432	116,267	-
Monterey	2,426,491	2,315,987	1,874,584	2,009,499	1,661,291	1,495,879	1,520,277	563,067
Napa	538,833	517,449	466,394	563,824	430,813	424,274	412,924	-
Nevada	360,151	334,361	427,341	532,993	243,874	172,284	202,765	-
Orange	9,447,468	9,535,829	11,240,549	11,738,999	9,005,454	8,075,037	7,660,063	2,797,167
Placer	1,761,170	1,805,345	1,434,256	1,450,182	1,461,426	1,471,644	1,582,675	333,386
Plumas	65,924	53,802	53,548	39,237	28,250	35,242	45,295	34,162
Riverside	10,475,382	11,705,441	17,710,129	16,763,649	12,162,708	12,022,116	11,858,072	-
Sacramento	8,233,772	8,777,788	8,701,340	8,249,827	7,272,945	6,063,469	4,633,741	3,651,494
San Benito	135,271	107,631	115,269	131,423	103,277	133,036	81,982	10,088
San Bernardino	6,880,618	6,967,093	7,472,959	6,876,030	5,113,672	3,485,954	4,190,202	4,202,181
San Diego	12,885,798	13,212,075	12,564,863	13,529,627	12,695,865	11,431,450	10,246,534	1,503,534
San Francisco	3,369,441	3,836,633	5,359,512	5,790,789	3,573,523	2,506,737	3,537,395	-
San Joaquin	1,509,954	1,554,235	1,748,585	1,295,872	914,243	353,311	620,727	1,239,420
San Luis Obispo	860,638	846,051	830,142	864,323	756,927	677,250	826,508	212,950
San Mateo	2,440,705	2,759,765	3,006,715	3,766,242	2,934,936	2,617,973	3,441,282	2,106,535
Santa Barbara	1,809,518	1,837,372	1,746,353	1,938,739	1,900,339	1,701,095	1,190,422	34,950
Santa Clara	8,191,211	7,548,469	6,224,398	6,042,908	5,063,980	5,747,423	3,227,883	2,500,000
Santa Cruz	1,672,786	1,780,707	1,368,089	1,297,816	898,423	782,670	716,713	331,940
Shasta	208,755	159,397	193,983	236,774	197,521	202,453	235,636	401,580
Sierra	6,653	14,025	16,081	9,149	7,275	6,828	6,495	-
Siskiyou	327,597	286,365	277,098	277,730	241,639	252,492	241,372	125,243
Solano	2,074,865	2,121,563	2,021,828	1,813,344	1,172,500	1,045,348	1,412,415	549,745
Sonoma	2,164,537	2,040,679	2,033,152	1,994,420	1,503,221	1,842,110	1,366,566	734,695
Stanislaus	1,813,389	1,556,305	1,528,556	1,526,854	1,249,442	1,329,865	1,224,586	600,860
Sutter	310,433	388,589	355,813	417,949	426,124	208,760	148,911	-
Tehama	65,357	84,086	157,297	168,209	210,714	150,200	177,154	4,941
Trinity	34,269	29,245	25,635	33,490	23,168	16,657	19,249	32,126
Tulare	1,820,376	2,038,955	1,940,835	2,315,146	1,980,187	1,882,162	1,786,326	405,601
Tuolumne	157,611	144,193	156,962	182,329	126,081	126,954	127,823	65,664
Ventura	2,301,490	2,758,862	3,606,207	3,057,653	2,309,047	2,074,412	2,229,969	1,898,388
Yolo	1,207,564	1,290,533	1,104,717	1,301,576	1,035,944	1,185,894	896,788	365,844
Yuba	302,739	273,272	274,461	298,358	242,083	256,176	215,188	-
Total	143,330,308	149,133,977	154,784,286	160,039,838	126,953,637	111,749,847	104,659,715	48,302,729

**NET Civil Assessment Revenue Remitted by Court
For Fiscal Years 2011-2012 through 2016-17**

Yellow cells mean they didn't collect enough CA to cover their MOE amount, no impact to court

Court	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-17	FY 2017-18	Buyout Amount
Alameda	2,138,085	5,728,599	7,305,657	7,956,153	7,332,392	5,553,299	4,404,604	-
Alpine	7,865	12,926	8,366	6,473	5,733	7,636	13,937	-
Amador	51,823	44,932	54,234	45,085	45,360	31,624	54,131	-
Butte	393,787	346,241	245,599	292,480	271,752	327,764	308,852	-
Calaveras	149,248	124,036	136,821	108,015	91,932	89,917	66,289	-
Colusa	36,426	115,836	138,792	122,986	111,334	118,976	111,255	-
Contra Costa	6,556,336	6,681,813	5,655,258	6,109,839	4,507,429	3,896,362	3,282,257	-
Del Norte	164,724	156,003	87,040	76,982	17,951	51,854	46,761	-
El Dorado	449,976	544,769	491,991	430,856	291,210	184,642	31,290	-
Fresno	5,323,615	4,867,886	3,504,721	5,481,995	4,507,027	2,311,215	2,535,376	-
Glenn	83,692	50,299	24,118	30,697	181,036	184,007	133,730	-
Humboldt	767,750	926,827	900,862	1,001,996	891,470	758,341	584,221	-
Imperial	1,329,532	1,244,086	1,174,733	1,319,796	991,602	849,132	723,944	-
Inyo	49,832	85,077	78,394	86,654	76,810	76,774	51,780	-
Kern	3,540,445	4,088,692	4,051,200	4,520,980	3,426,994	3,745,274	3,554,899	-
Kings	432,183	426,581	497,151	530,871	192,940	147,836	308,168	-
Lake	25,635	41,983	(5,289)	(44,054)	(91,491)	(17,065)	(49,299)	-
Lassen	164,341	94,912	85,434	93,783	78,315	63,380	87,404	-
Los Angeles	9,297,828	8,332,827	7,861,837	8,912,679	1,887,343	(1,918,287)	(3,110,035)	-
Madera	542,902	518,525	525,755	612,742	517,459	527,296	381,859	-
Marin	712,235	760,227	712,279	666,850	535,460	675,888	722,957	-
Mariposa	28,420	34,648	38,074	77,040	67,644	62,231	67,027	-
Mendocino	200,472	117,120	118,470	88,088	53,789	87,664	124,925	-
Merced	1,414,124	1,501,861	1,432,208	1,329,830	319,746	443,198	420,102	-
Modoc	11,103	8,001	10,542	6,209	7,359	9,135	5,907	-
Mono	-	-	15,221	62,682	91,432	107,432	116,267	-
Monterey	1,863,424	1,752,920	1,311,517	1,446,432	1,098,224	932,812	957,210	-
Napa	538,833	517,449	466,394	563,824	430,813	424,274	412,924	-
Nevada	360,151	334,361	427,341	532,993	243,874	172,284	202,765	-
Orange	6,650,301	6,738,662	8,443,382	8,941,832	6,208,287	5,277,870	4,862,896	-
Placer	1,427,783	1,471,958	1,100,869	1,116,795	1,128,040	1,138,258	1,249,288	-
Plumas	31,761	19,640	19,385	5,074	(5,913)	1,080	11,133	-
Riverside	10,475,382	11,705,441	17,710,129	16,763,649	12,162,708	12,022,116	11,858,072	-
Sacramento	4,582,278	5,126,294	5,049,845	4,598,333	3,621,450	2,411,975	982,246	-
San Benito	125,183	97,543	105,181	121,335	93,189	122,948	71,894	-
San Bernardino	2,678,437	2,764,912	3,270,778	2,673,849	911,491	(716,227)	(11,979)	-
San Diego	11,382,264	11,708,541	11,061,329	12,026,093	11,192,331	9,927,916	8,743,000	-
San Francisco	3,369,441	3,836,633	5,359,512	5,790,789	3,573,523	2,506,737	3,537,395	-
San Joaquin	270,534	314,815	509,164	56,451	(325,177)	(886,109)	(618,693)	-
San Luis Obispo	647,688	633,101	617,192	651,373	543,977	464,300	613,558	-
San Mateo	334,170	653,230	900,180	1,659,707	828,401	511,438	1,334,747	-
Santa Barbara	1,774,568	1,802,422	1,711,403	1,903,789	1,865,389	1,666,145	1,155,473	-
Santa Clara	5,691,211	5,048,469	3,724,398	3,542,908	2,563,980	3,247,423	727,883	-
Santa Cruz	1,340,846	1,448,767	1,036,149	965,876	566,483	450,730	384,773	-
Shasta	(192,825)	(242,183)	(207,597)	(164,806)	(204,059)	(199,127)	(165,944)	-
Sierra	6,653	14,025	16,081	9,149	7,275	6,828	6,495	-
Siskiyou	202,354	161,122	151,855	152,487	116,396	127,249	116,129	-
Solano	1,525,120	1,571,818	1,472,083	1,263,599	622,305	495,603	862,670	-
Sonoma	1,429,842	1,305,984	1,298,458	1,259,726	768,526	1,107,416	631,872	-
Stanislaus	1,212,529	955,445	927,696	925,994	648,582	729,005	623,726	-
Sutter	310,433	388,589	355,813					

INTRA-BRANCH AGREEMENT
(NO. FY 2014-2015/01-J1/East County Hall of Justice Project)
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE COURTS
AND THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA
REGARDING COSTS TO SUPPORT THE EAST COUNTY COURTHOUSE AT
THE EAST COUNTY HALL OF JUSTICE PROJECT

This **Intra-Branch Agreement** (“**IBA**”) is entered into as of MARCH 1, 2014 (“**Effective Date**”), by and between the **Judicial Council of California, Administrative Office of the Courts** (the “**AOC**”) and the **Superior Court of California, County of Alameda** (the “**Court**”). For purposes of this IBA, the AOC and the Court are each a “**Party**” and are sometimes together referred to as the “**Parties.**”

BACKGROUND TO AND PURPOSE OF IBA

A. The Court has requested that the AOC help manage a project to develop and construct a new East County Courthouse, AOC Building No. 01-J1 (the “**Building**”) at the East County Hall of Justice Project, located at 5149 and 5151 Gleason Drive, Dublin, California (the “**Project**”), which is being jointly developed by the County of Alameda (the “**County**”) and the AOC.

B. This IBA implements that certain Court Facilities Fund Authorization dated August 15, 2008, that was approved by the Judicial Council of California (the “**Council**”) at its meeting on August 15, 2008 (the “**Fund Authorization**”), with respect to the funding of the civil assessment revenues collected by or on behalf of the Court in accordance with Penal Code section 1214.1 (the “**Civil Assessment Revenues**”) that were approved by the Council as a Court-funded request to support the Project. The Fund Authorization sets forth the respective responsibilities of the AOC and the Court in complying with the provisions of the Project and establishes the payment procedure for the Parties to follow with respect to such Civil Assessment Revenues, among other things.

C. The AOC will act as the project manager with respect to design, funding, and construction of the Building, the Court parking areas, and other Court exclusive-use and shared-use areas included in the Project (the “**Court Facility**”).

D. It is the intent of the Parties to work together cooperatively and in good faith as partners in this Project according to each Party’s respective responsibilities and obligations as set forth in this IBA.

E. As used in this IBA, the term **“Project”** means the Project as will be approved by the Council and the State Public Works Board, and if applicable, pursuant to the Capital Outlay Budget Change Proposal approved in the fiscal year 2014-15 Budget Act.

F. The Parties acknowledge that on the Effective Date of this IBA, the AOC and the County are considering alternate structures for funding the Project, and the final funding structure for the Project has not yet been determined. The Parties further acknowledge that the funding structure ultimately selected by the Parties will affect the structure and terms of the definitive agreements entered into by the Parties for the Project.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. AOC RESPONSIBILITIES

1.1 Depending on the funding structure ultimately determined by the Parties for the Project, the AOC will, in conjunction with the Court, cause either: the Development and Disposition Agreement for the East County Hall of Justice (the **“DDA”**) or the Project Development Agreement for the East County Hall of Justice (the **“PDA”**); and either the Lease-Purchase Agreement for the East County Hall of Justice (the **“LPA”**) or the Property Acquisition Agreement for the East County Hall of Justice (the **“Acquisition Agreement”**); together with any other documents required for the Project, all to be completed to the extent that such documents are not already completed on the Effective Date (collectively, the **“Documents”**) based upon an estimated budget of \$147,512,205 for the entire Project, approximately \$122,012,444 of which pertains to the Court Facility (**“Estimated Budget”**).

1.2 Pursuant to the DDA or the PDA, as applicable, and other Documents, the County will: (a) solicit, award, and execute contract(s) based upon the Documents and subject to review, consent, and approval, as applicable, by the AOC and the Court where and to the extent provided for in the Documents; (b) enter into other ancillary agreements as necessary (e.g. architect services, engineering services, environmental consultant); and (c) pay any applicable permit fees (collectively **“Contract(s)”**), and the AOC shall pay or reimburse the County for the portion of the costs arising from the Contracts that pertains to the Court Facility, as provided for in the Documents including, as and to the extent applicable, the LPA or the Acquisition Agreement.

1.3 In accordance with and to the extent provided for in the Documents, including the DDA or the PDA, as applicable, the AOC will: (a) obtain advance written approval from the Court for all discretionary change orders that diminish the quality of the scope of the Project (e.g. the quality of the materials); (b) obtain the Court's written approval for all change orders, or other discretionary changes to the Project, which may exceed the portion of the Estimated Budget pertaining to the Court Facility; and (c) consult with and obtain the Court's written consent prior to the County's commencement of any such work in excess of the portion of the Estimated Budget that pertains to the Court Facility.

1.4 In accordance with and to the extent provided for in the Documents, including the DDA or the PDA, as applicable, the Court may request the AOC to implement design changes related to the Project. To the extent consistent with the terms of the DDA or the PDA, as applicable, and other applicable Documents, if any, the AOC agrees to implement any changes requested by the Court except as may be prohibited by local building ordinances and provided such changes are reasonable and are consistent with the California Trial Court Facilities Standards as adopted by the Council, and do not increase the cost of the Estimated Budget, unless the Court agrees in writing in advance to pay those additional costs.

1.5 The Parties acknowledge that timely field decisions will best serve the interests of the Project, both in cost and time. The Court may accept verbal notice in lieu of written notice as the Court deems appropriate. To the extent consistent with and provided for in the DDA or the PDA, and the other Documents, if any, the AOC will not cause or permit any field directive to be incorporated into change orders without the Court's prior review and comment or approval.

1.6 The AOC will make reasonable efforts to cause the County to complete the Project in a timely manner. The AOC will provide written notices to the Court informing the Court of any significant delays with respect to completion of the Project as soon as it is advised of the delay or otherwise becomes aware of the delay. The AOC will provide the Court with all contractor schedule updates, notices of delay, and any recovery schedules received by the AOC. The Parties acknowledge that unforeseen events may arise which could cause delays to completion of the Project.

1.7 The AOC will make or cause to be made all payments to the County and others from, as applicable, the Trial Court Trust Fund (the "Fund"), the Court Facilities Architecture Revolving Fund, the Immediate and Critical Needs Account of the State Court Facilities Construction Fund (the "ICNA"), and/or any other fund or account where monies authorized to support the Project are held from time to time, as necessary for completion of the Project based upon the Estimated Budget.

1.8 The AOC will comply with the procedure for allocation reductions in accordance with section 3 below.

1.9 The AOC will monitor expenditures with respect to Project and make available copies of supporting detail upon request of the Court.

1.10 Once the Project is completed and the Building is occupied by the County and the Court, the AOC will be responsible, under the terms of the LPA or the Acquisition Agreement, whichever is applicable, to provide janitorial services for those areas of the Building that are used and occupied in common by the Court and the County (as such term is more fully defined and described in the LPA or the Acquisition Agreement, the “**Building Common Areas**”). Effective immediately upon occupancy of the Building by the County and the Court, the AOC hereby delegates to the Court the obligation to provide janitorial services for the Building Common Areas. The AOC shall include in each of its quarterly invoices to the County under the LPA or the Acquisition Agreement, as applicable, the County’s pro rata share of the cost of the janitorial services provided by the Court for the Building Common Areas during the immediately-preceding fiscal quarter. When the AOC receives each payment from the County for its pro rata share of the costs of janitorial services for the Building Common Areas, the AOC shall reimburse such sum to the Court.

2. COURT RESPONSIBILITIES

2.1 The Court will provide to support the Project the Civil Assessment Revenues approved in the Fund Authorization pursuant to this IBA.

2.2 The Court will conduct all reviews in a timely manner as provided for in the Documents, where applicable.

2.3 The Court will give the AOC timely notice of any event of which it becomes aware respecting the completion of the Project which either could give rise to a claim or liability to either the Court or the AOC or requires action by the AOC in managing the Project.

2.4 The Court will reflect the reduction from the Fund gross distribution, consistent with section 3 below, as non-cash revenue and expenditure items in the Court’s financial records.

2.5 The Court will provide the janitorial services to the Building Common Areas commencing when the Building is occupied by the County and the Court. In connection with such janitorial services, the Court will send an invoice to the AOC on a quarterly basis. Each such invoice will evidence the total cost of the janitorial services provided for the Building Common Areas during the immediately-preceding fiscal

quarter and shall show the calculation of the County's pro rata share of those janitorial services costs, which County share shall be determined in a manner consistent with the terms of the LPA or the Acquisition Agreement, whichever is applicable.

3. REDUCTION

Commencing at the next distribution to the Court from the Fund following the full execution of this IBA, the AOC will reduce the Court's distributions as follows:

3.1 The distributions to the Court from the Fund from the date of full execution of this IBA through June 30, 2014, shall be reduced by the total, cumulative amount of Twenty Million, Eight Hundred Thousand Dollars (\$20,800,000), which sum will be used to pay direct Project costs in the manner agreed by the Parties, and does not exceed the portion of the Estimated Budget related to the Court Facility.

3.2 The distributions to the Court from the Fund shall be reduced by the total, cumulative amount of Two Million Dollars (\$2,000,000) per fiscal year starting in fiscal year 2014-15 and continuing until either (depending on the funding structure for the Project, which has not yet been determined on the Effective Date of this IBA): (a) all lease payments owed by the AOC to the County under the LPA have been paid in full; or (b) the loan from the ICNA in the approximate principal amount of Forty Million Dollars (\$40,000,000) appropriated for the Project in fiscal year 2014-15 is paid in full. The annual reductions in the Court's distributions from the Fund described in this section 3.2 will be applied either toward payment of the AOC's lease payments under the LPA or toward repayment of the above-described loan from the ICNA, as applicable, depending on the funding structure for the Project.

3.3 In the event there are any extraordinary expenses, or expenses relating to change orders for any Contract or other discretionary changes for the Project which have been approved by the Court through its Presiding Judge or the Presiding Judge's written designee in accordance with the terms of the Documents (collectively "Change Order"), the AOC will reduce the next distribution to the Court from the Fund following approval of the Change Order by an amount equal to the amount set forth in the Change Order as approved by the Court.

4. EFFECTIVE DATE AND TERMINATION

This IBA is effective as of the Effective Date, and will remain in effect until terminated in writing.

5. EFFECT OF TERMINATION

Notwithstanding a termination of this IBA, all payment obligations under this IBA incurred prior to expiration or termination of this IBA will survive that termination or expiration.

6. STATE AUDIT

This IBA is subject to examinations and audit by the State Auditor for a period of three (3) years after final payment.

7. DISPUTE RESOLUTION PROCEDURES

If a disagreement arises between the Parties regarding this IBA, the Parties will attempt to resolve the disagreement at the operating level. If the disagreement remains unresolved, the Parties will refer the matter to the Presiding Judge of the Court and the Administrative Director of the Courts for resolution.

8. COUNTERPARTS


This IBA may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this IBA as of the Effective Date.

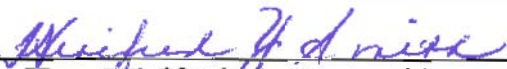
APPROVED AS TO FORM:
Administrative Office of the Courts,
Legal Services Office

JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE
COURTS

By: 
Name: Leslie G. Miessner
Title: Supervising Attorney
Date: May 22, 2014

By: 
Name: Grant Walker
Title: Senior Manager, Business Services
Date: May 22, 2014

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF ALAMEDA

By: 
Name: Hon. Winifred Younge Smith
Title: Presiding Judge
Date: May 20, 2014

**FIRST AMENDMENT TO INTRA-BRANCH AGREEMENT
(NO. FY 2014-2015/01-J1/East County Hall of Justice Project)
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA AND
THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA
REGARDING COSTS TO SUPPORT THE EAST COUNTY COURTHOUSE AT
THE EAST COUNTY HALL OF JUSTICE PROJECT**

This **First Amendment to Intra-Branch Agreement** (this “**First Amendment**”) is entered into as of the 8TH day of JUNE, 2017 (the “**First Amendment Effective Date**”) by and between the Judicial Council of California (“**Judicial Council**”) and the Superior Court of California, County of Alameda (the “**Court**”). For purposes of this First Amendment, the Council and the Court are sometimes individually referred to as a “**Party**” and together referred to as the “**Parties**”.

RECITALS

A. The Judicial Council and the Court entered into that certain Intra-Branch Agreement (No. FY 2014-2015/01-J1/East County Hall of Justice Project) Regarding Costs to Support the East County Courthouse at the East County Hall of Justice Project (“**Project**”) as of March 1, 2014 (“**Original IBA**”).

B. The Original IBA implemented the terms of the Court Facilities Fund Authorization dated August 15, 2008, that was approved by the Judicial Council at its meeting on August 15, 2008 (the “**Fund Authorization**”) for funding of the Project. The Fund Authorization included the Court’s commitment to an annual \$2,000,000 contribution of civil assessment revenues collected by or on behalf of the Court in accordance with Penal Code section 1214.1 (the “**Civil Assessment Contribution**”) to the cost of the Project.

C. At the time the Original IBA was drafted, the funding structure for the Project had not been determined and so was set out in two main alternatives; the alternative including a loan from the Immediate and Critical Needs Account with an estimated approximate principal amount of \$40,000,000 (actual principal amount of \$39,112,970; the “**ICNA Loan**”) was later chosen.

D. The Judicial Council and the Court now wish to amend the Original IBA to provide that while the Court’s overall obligation to contribute to the repayment of the ICNA Loan will not be changed, the Court’s Civil Assessment Contribution for fiscal year 2017-18 will be decreased by \$650,000 to \$1,350,000 but increased in subsequent fiscal years up to including the ~~2012-22~~ ²⁰²¹ fiscal year by a total cumulative amount of \$650,000. *SS 6/21/17*

E. On July 29, 2014, the Judicial Council of California amended rule 10.81 of the California Rules of Court to substitute the Judicial Council for the “Administrative Office of the Courts” or the “AOC” in all contracts, memoranda of understanding, and other legal agreements, documents, proceedings, and transactions, with no prejudice to the substantive rights of any party.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Court and the Council hereby agree as follows:

1. RECITALS INCORPORATED; DEFINED TERMS. The recitals in this First Amendment are hereby incorporated into and a part of this First Amendment for all purposes. Capitalized terms used in this First Amendment, but not otherwise defined or modified herein, shall have the meanings given to them in the Original IBA.

2. MODIFICATION OF CIVIL ASSESSMENT CONTRIBUTION OBLIGATION. Section 3.2 of the Original IBA is hereby deleted and replaced by the following new section 3.2:

“3.2 The distributions to the Court from the Fund shall be reduced by the total, cumulative amount of the Civil Assessment Contribution of \$2,000,000 per fiscal year starting in fiscal year 2014-15 and continuing until the ICNA Loan is paid in full. Notwithstanding the foregoing, the Court’s Civil Assessment Contribution shall be (a) decreased by \$650,000 to \$1,350,000 for fiscal year 2017-18, and (b) increased in subsequent fiscal years up to and including fiscal year 2021-22 by a total cumulative amount of \$650,000 at such times and in such amounts as the Court chooses.”

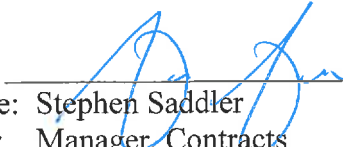
3. REPLACEMENT OF NAME. All references to “Administrative Office of the Courts” or “AOC” in the Original IBA shall be replaced by “Judicial Council” or “Council” with no prejudice to the substantive rights of the Parties, and the Judicial Council will continue to perform all duties, responsibilities, functions, or other obligations, and bear all liabilities, and exercise all rights, powers, authorities, benefits, and other privileges attributed to the “Administrative Office of the Courts” or “AOC” in the Original IBA.

4. NO FURTHER MODIFICATIONS. Except as specifically modified herein, the Original IBA remains unmodified and in full force and effect.


[Signature page follows]

IN WITNESS WHEREOF, the Judicial Council and the Court have signed and entered into this First Amendment on the date first written above.

JUDICIAL COUNCIL OF CALIFORNIA

By: 
Name: Stephen Saddler
Title: Manager, Contracts
Date: 6/8/17

APPROVED AS TO FORM:
Judicial Council of California
Legal Services

By: 
Name: Charles R. Martel
Title: Supervising Attorney
Date: 6-8-2017

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF ALAMENDA**

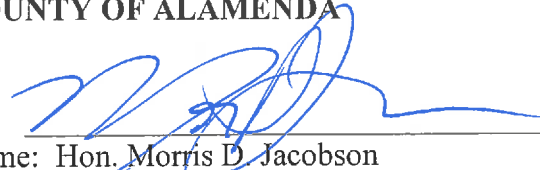
By: 
Name: Hon. Morris D. Jacobson
Title: Presiding Judge
Date: 6/2/17

Exhibit A
L-242

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("*Memorandum*") is made and entered into effective July 1, 2005 ("*Effective Date*"), by and between the Superior Court of California, County of Fresno ("*Court*") and the County of Fresno ("*County*").

RECITALS

WHEREAS, pursuant to Government Code Section 70311, the County is currently responsible for providing necessary and suitable facilities for the Court; and

WHEREAS, pursuant to Government Code Section 70321, the Judicial Council will be assuming responsibility for providing facilities for the Court; and

WHEREAS, the County and the Court are jointly responsible for implementing programs to enhance the collection of court imposed fines and fees; and

WHEREAS, the County and the Court entered into that certain Agreement By And Between The County Of Fresno And The Fresno County Superior Court dated May 2, 2000 ("*2000 Agreement*"), as amended by a Memorandum of Understanding between the Court and the County dated August 15, 2002 ("*2002 Memorandum*") (collectively, the "*Agreement*") pursuant to which the Court imposes civil assessments in accordance with California Penal Code Section 1214.1 against defendants who failed, after notice and without good cause, to appear in court for any proceeding authorized by law (the "*Civil Assessment Program*"); and

WHEREAS, among other things, the Agreement provided that net revenue derived from the Civil Assessment Program would be deposited into a Civil Assessment Trust Fund ("*CATF*") for exclusive use for court facilities and related needs; and

WHEREAS, the County and the Court wish to terminate the Agreement as of the Effective Date of this Memorandum, and enter into a new agreement regarding civil assessments collected on and after July 1, 2005 ("*Civil Assessments*") dedicated to the purpose of funding court facilities and related needs; and

WHEREAS, the administration of justice and access to the courts would be improved by leasing a new court house in the City of Selma ("*Selma Courthouse*") and the construction of a new building to house court rooms and county facilities in a new juvenile delinquency court facility to be occupied by the Court and the County located at the American Avenue Juvenile Justice Campus ("*Juvenile Courthouse*"); and

WHEREAS, the County is prepared to borrow the cost of constructing the Juvenile Courthouse; and

WHEREAS, the County desires to be reimbursed for the cost of constructing the portion of the Juvenile Courthouse occupied by the Court through funding from the State of California ("*State*") which funding is the subject of a separate agreement(s) between the County, Court, and the Judicial Council; and

WHEREAS, the County and the Court agree that it is in the best interests of the public and an appropriate use of the Civil Assessments to fund certain costs incurred by the County in leasing and making tenant improvements to the Selma Courthouse and to construct that portion of the Juvenile Courthouse that will be occupied by the County;

NOW, THEREFORE, for good and valuable consideration the sufficiency of which is acknowledged, the parties hereto agree as follows:

AGREEMENT

1. AGREEMENT REGARDING CIVIL ASSESSMENT PROGRAM

1.1 Termination of Prior Agreement. The Agreement is terminated as of the Effective Date and replaced in its entirety by this Memorandum.

1.2 Operation. The Court shall continue to administer the Civil Assessment Program pursuant to Penal Code section 1214.1. The Court shall be solely responsible for the collection and distribution of all revenue from the Civil Assessment Program and the management and operation of the Civil Assessment Program, subject to the distribution provisions set forth in section 2, below. The Court shall have exclusive decision making authority with respect to the Civil Assessment Program. The Court may, but shall not be obligated to, retain the services of a third party vendor to collect all Civil Assessments. The Court shall be solely responsible for supervising any third party vendor(s) so selected for the collection of Civil Assessments.

1.3 Net Revenue. The Court will deposit Net Revenue derived from Civil Assessments into the CATF. For purposes of this Memorandum, "Net Revenue" means total revenue actually collected from Civil Assessments in the amount of \$250.00 per Civil Assessment minus allowable costs provided pursuant to Penal Code section 1463.007 as follows: (i) all Court costs of management, administration and collection, including vendor commissions and fees (ii) all other costs and expenses incurred by the Court in connection with the Civil Assessment Program and administration of the CATF, and (iii) any and all refunds paid from the CATF. The parties agree that revenue from Civil Assessments in excess of \$250 per Civil Assessment shall be the exclusive property of the Court and shall not otherwise be subject to the terms of this Memorandum.

2. DISTRIBUTION OF NET REVENUE FROM THE CIVIL ASSESSMENT PROGRAM

All Net Revenue deposited in the CATF shall be distributed by the Court on a monthly basis, to the extent and in the order set forth below, as follows:

(a) To the County, to be used solely for the payment of the County's annual amortized costs of tenant improvements constructed at the Selma Courthouse based on a 5 year level amortization.

(b) To the County, to be used solely for the annual lease payments for the Selma Courthouse to the extent such annual lease payments exceed the annual amount paid by

the County in 2001 for the cost of leasing, maintaining, operating, and related utilities of the former, now closed, Selma Courthouse.

The total Net Revenue distributed to the County each year pursuant to subsections (a) and (b) herein shall not exceed the amount per applicable year set forth in Exhibit A attached hereto and incorporated herein by this reference.

(c) To the Court, for the Court's exclusive use related to Court facility needs, as determined by the Court in its sole discretion, all remaining Net Revenue until such time as the County's obligation to make Debt Service payments as set forth in (d) below begins.

(d) To the County, beginning on the date the first monthly payment of principal and interest is due by the County for the monthly debt service due on the bonds used to finance the construction of the Juvenile Courthouse (the "Debt Service") and ending on the last due date of the County's monthly Debt Service payment and, in any event, for a period not to exceed 20 years, an amount equal to the lesser of: (i) fifty percent (50%) of all remaining Net Revenue in the CATF, or (ii) that portion of the monthly Debt Service payment that is attributable to the portion of the Juvenile Courthouse occupied by the County. For example, if the County occupies 30% of the Juvenile Courthouse, then the portion referred to above would be 30% of the monthly Debt Service payment. All funds received by the County pursuant to this subsection (d) must be used by the County solely to pay the Debt Service as set forth herein. Notwithstanding anything to the contrary set forth in this subsection (d), in no event shall the Court receive less than 50% of all remaining Net Revenue after distributing each month all amounts due in subsections (a) and (b) above and in no event shall the County receive more than \$500,000.00 per Court fiscal year from Net Revenue to pay Debt Service.

(e) Fifth, to the Court, the remainder of all Net Revenue for the Court's exclusive use related to Court facility needs, as determined by the Court in its sole discretion.

3. TERM/TERMINATION/LIABILITY

3.1 Term. This Memorandum shall be effective as of July 1, 2005, and shall remain in effect until terminated in accordance with section 3.2 of this Memorandum.

3.2 Termination by the Court. The Court may terminate this Memorandum by giving written notice to the County in the manner specified in section 5.6 below if:

(a) A court of competent jurisdiction determines that this Memorandum violates any statute, law, regulation, or State Rule of Court.

(b) The County materially breaches this Memorandum which includes, without limit, any use by the County of any funds distributed from the CATF for any purpose whatsoever other than as set forth in section 2(a), (b), or (d) above.

(c) The County no longer bears, or is liable for, the costs set forth in section 2 (a), (b), or (d) above.

3.3 Court's Liability. The County acknowledges and agrees that the sole source for payment by the Court to the County of the costs described in section 2(a), (b), and (d), above with respect to the Selma Courthouse and the Juvenile Courthouse are the proceeds from Net Revenue available in the CAIF distributed in accordance with section 2 above. In the event that Net Revenue distributed as provided for in section 2 above is inadequate to cover the costs described in section 2, or in the event that the State shall prescribe other uses for such Civil Assessments that take precedence over the terms of this Memorandum, or in the event that this Memorandum is terminated under any of the provisions of section 3.2, the Court shall have no liability to pay any sum to the County with respect to the costs so described.

4. DISPUTE RESOLUTION

4.1 Application. Whenever the County and the Court disagree as to any matter governed by this Memorandum, the dispute resolution process discussed in this Section 4 shall govern.

4.2 Request for Meeting. If after fifteen (15) days, the Court and the County cannot resolve any dispute, either party may give the other party a written request for a meeting between the Court Executive Officer and the County Administrative Officer for the purpose of resolving a disagreement between the parties. If such meeting is requested, the meeting shall be held within ten (10) business days of the receipt of such request. If the meeting fails to occur or fails to resolve the disagreement, nothing in this Memorandum shall preclude either party from exercising its legal remedies.

4.3 Resolution of Disputes. If a dispute between the parties regarding the interpretation or performance of this Memorandum is not resolved in accordance with section 4.2 above, the dispute shall be submitted to non-binding mediation in the City of Fresno, California.

5. MISCELLANEOUS

5.1 Entire Agreement. This Memorandum constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous modifications, agreements, memorandums, term sheets, proposals, negotiations, representations, and commitments, both oral and written, between the parties.

5.2 Amendment. This Memorandum may not be modified or amended, except by written instrument executed by the parties.

5.3 Time of Performance. Unless specifically stated to the contrary, all references to days herein shall be deemed to refer to calendar days. If the final date for payment of any amount or performance of any act falls on a Saturday, Sunday or holiday, such payment shall be made or act performed on the next succeeding business day.

5.4 Further Assurances. Each party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time, in order to effectuate the provisions and purposes of this Memorandum.

5.5 Time. Time is of the essence of each and all of the provisions of this Memorandum.

5.6 Notices. Any notice required or permitted hereunder must be in writing and will be deemed delivered when (i) personally delivered; (ii) mailed by depositing such notice in the United States mail, first class postage prepaid; or (iii) sent by reputable overnight delivery service; addressed as follows or to such other place as each party hereto may designate by subsequent written notice to the other party:

If to the Court: Superior Court of California, County of Fresno
1100 Van Ness Avenue
Fresno, CA 93724-0002
Attn: Court Executive Officer

If to the County: County of Fresno
Fresno County Administrative Office
2281 Tulare Street
Fresno, CA 93721
Attn: County Administrative Officer

5.7 Waiver. Any waiver of any term of this Memorandum must be in writing and executed by an authorized representative of the waiving party and shall not be construed as a waiver of any succeeding breach of the same or other term of this Memorandum.

5.8 Binding. This Memorandum shall be binding upon the successors of the Court and the County.

5.9 Counsel and Drafting. Each party hereto, by its due execution of this Memorandum, represents to the other party that it has reviewed each term of this Memorandum with their counsel, or has had the opportunity for such review with their counsel. No party shall deny the validity of this Memorandum on the ground that such party did not have the advice of counsel. Each party hereto has had the opportunity to participate in drafting and preparation of this Memorandum. The provisions and terms of this Memorandum shall be interpreted in accordance with the plain meaning thereof, and shall not be construed in favor or against either party because such party drafted or did not draft any such provision.

5.10 Counterparts. This Memorandum may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

5.11 Compliance with Laws. Notwithstanding any provision to the contrary contained in this Memorandum, the parties agree that no provision of this Memorandum shall require any party to violate any applicable statute, rule of law or regulation. In addition to the foregoing, the Court shall not be required to violate any Rule of the Court or any policy binding on the Court.

5.12 Severability. The provisions of this Memorandum are separate and severable. Should any court hold that any provision of this Memorandum is invalid, void or unenforceable, then the validity of other provisions of this Memorandum shall not be affected or impaired thereby.

5.13 the laws of the State of California, without regard to its conflict of law provisions.

5.14 Certification of Authority to Execute this Memorandum. The County and the Court certify that the individual(s) signing below on behalf of the party has authority to execute this Memorandum on behalf of the party, and may legally bind the party to the terms and conditions of this Memorandum.

5.15 Indemnity; Hold Harmless. The parties waive Government Code Section 895.6. In the event that the Court and the County are each found liable for injuries or damages to a third party or parties by reason of a breach or failure to perform by each of them of a respective duty or obligation undertaken pursuant to this memorandum, the Court and the County shall share such liability in proportion to their respective fault, and if one of them shall satisfy the total liability in an amount in excess of its proportionate share, it shall be entitled to contribution from the other in the amount of the excess paid. In addition, the County agrees to indemnify, defend (with counsel satisfactory to the Administrative Office of the Courts), and hold harmless the Court, its judges, subordinate judicial officers, court executive officers, court administrators, agents, representatives, contractors, volunteers and employees from any and all losses, costs, liabilities and damages, including reasonable attorneys' fees and costs (individually, a "Claim" and collectively, "Claims") arising from, related to or in connection with, in whole or in part, the County's breach of its obligations under this Memorandum or the County's violation of any applicable law, rule or regulation.

5.16 Audit. The Court, or its representatives, upon reasonable notice to the County, may audit the County's payment and use of the amounts set forth in section 2 above. The County agrees to maintain all records applicable to such use and payment until the expiration of four years from the termination of this Memorandum or the date upon which the final payment of any sums set forth section 2 is made by the County, whichever is longer.

5.17 Third-Party Beneficiary. This Memorandum is entered into for the benefit of the Court, the County, the Administrative Office of the Courts, the Judicial Council, and the State. No other person or entity is intended to be or shall be deemed a direct or incidental third-party beneficiary of this Memorandum, nor shall any other person or entity have any right regarding this Memorandum.

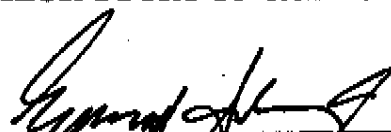
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5.18 Approval of Administrative Office of the Courts. The parties acknowledge that this Memorandum requires the approval of the Administrative Office of the Courts in accordance with Government Code section 68085.5(d)(2).

5.19 Survival. The provisions of sections 3, 4, and 5 shall survive any termination of this Memorandum.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the date first written above in Fresno, California.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF FRESNO


By: 
Edward Sarkisian, Presiding Judge

COUNTY OF FRESNO

By: 
Judith G. Case CHAIRMAN, Board of Supervisors

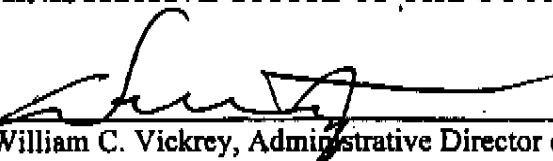
ATTEST:

BERNICE E. SEIDEL, Clerk
Board of Supervisors

By: 
Deputy

APPROVED:

ADMINISTRATIVE OFFICE OF THE COURTS

By: 
William C. Vickrey, Administrative Director of the Courts

June 21, 2016



Matthew H. Hymel
COUNTY ADMINISTRATOR

Marin County Board of Supervisors
3501 Civic Center Drive, Room 329
San Rafael, CA 94903

Daniel Eilerman
ASSISTANT COUNTY
ADMINISTRATOR

SUBJECT: Memorandum of Understanding (MOU) between the County of Marin and the Marin County Superior Court

Angela Nicholson
ASSISTANT COUNTY
ADMINISTRATOR

Dear Board Members:

Marin County Civic Center
3501 Civic Center Drive
Suite 325
San Rafael, CA 94903
415 473 6358 T
415 473 4104 F
CRS Dial 711
www.marincounty.org/cao

RECOMMENDATION: Approve the Memorandum of Understanding (MOU) with the Marin County Superior Court covering the provision of County services to the Court, extending the current MOU through June 30, 2018.

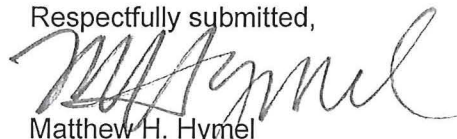
SUMMARY: The current MOU between the County and the Court for the provision of services in benefit of the Court is in effect through June 30, 2016. In preparation for expiration of the MOU, County and Court staff developed an updated MOU to become effective upon the signature of the Presiding Judge of the Court and the President of the Board of Supervisors, which would terminate June 30, 2018. The updated MOU extends current agreements.

Additional MOUs previously approved by the Board of Supervisors and the Superior Court relating to enhanced collections, use of courthouse facilities, and 457 Plan participation are incorporated by reference and attached to this MOU. Based on this agreement, services provided by Human Resources, Information Services and Technology, Department of Public Works, and County Counsel will be reimbursed on an actual cost basis to be negotiated by the parties and adjusted annually as part of the budget process.

The Court and the Sheriff-Coroner have separately negotiated a new court security MOU, which also expires June 30, 2016, referenced in Article X. This agreement is brought before your Board separately on this same June 21, 2016 Consent agenda.

Please let me know if you have any questions or concerns.

Respectfully submitted,



Matthew H. Hymel
County Administrator

Cc: James Kim, Court Executive Officer

Attachments

**MEMORANDUM OF UNDERSTANDING BETWEEN
MARIN COUNTY SUPERIOR COURT AND COUNTY OF MARIN**

PREAMBLE

The Marin County Superior Court (Court) and the County of Marin (County) enter into this Memorandum of Understanding (MOU) in acknowledgement of Assembly Bill 233 (Chapter 850, Statutes of 1997, the Lockyer-Isenberg Trial Court Funding Act. By this MOU, the parties seek to formulate and maintain a cooperative working relationship which will effectively and efficiently implement the legislative intent of the Trial Court Funding Act. The parties do not intend anything in this MOU to expand, broaden, contract or limit the respective rights, duties, or obligations of either party under the statute. The parties each retain all existing rights, duties and obligations under the statute, without modification by this MOU. Should either party become aware of new statutes that modify or nullify any of the Articles of this Agreement, that party shall notify the other immediately of such statutory change and the parties shall meet to determine the local impact of the new statutes.

ARTICLE I
CHARGES FOR COUNTY SERVICES

As provided in Government Code section 77212(d), County and Court agree that County will continue to provide Court with certain direct services that were provided in fiscal year 1994-95, until at least June 30, 2018. Charges assessed to Court for these County-provided services will be consistent with the rates charged to other County departments or special districts for the same services.

Direct charges include the costs of direct services that County departments provide to Court. Exhibit A identifies each County department from which direct services are requested and are hereby incorporated into this MOU.

Court may request services in addition to those provided for in the Exhibit A pursuant to Article VIII of this MOU.

ARTICLE II
DISTRIBUTION OF COURT-RELATED REVENUES

Effective January 1, 2006, as described in Government Code section 68085.1, all applicable civil filing fees and civil assessments on traffic fines are deposited in an outside bank account administered by the Judicial Council of California (JCC). The deposits are summarized in a monthly report (the TC-145) to the JCC, which delineates the total amount of each fee collected and deposited during the month. The JCC makes monthly distributions of certain fees to the Court or County as described in Article II (a) below.

County agrees to reconcile Fund 80154 (Fund 7024 in new MUNIS financial system Chart of Accounts effective July 1, 2016), Court County Distribution Fund each month and transmit a copy of the reconciliation to the Court monthly.

The allocation of other revenues and court ordered deposits is described in Article II (c) below.

(a) The JCC makes monthly distributions from Court fees as follows:

**MEMORANDUM OF UNDERSTANDING BETWEEN
MARIN COUNTY SUPERIOR COURT AND COUNTY OF MARIN**

To the County, for deposit in its law library fund, as described in Business and Professions Code section 6321.

To the County, for deposit in its dispute resolution fund, as described in Business and Professions Code section 470.5. The Court and County agree that dispute resolution revenues derived from certain filing fees will be transferred from the County to the Court. The allocation of these revenues between Court and County is listed in the JCC transmittal document, DRPA Distributions.

To the Court, for deposit in its operations account, Small Claims Advisor Fees authorized by Code of Civil Procedure section 116.230. The Court uses these deposits to support small claims advisory services.

Pursuant to Government Code section 68085.1, certain local fees, including research, copies, civil assessments, administrative fees and fees for specific court services are returned to the Court by JCC as part of TC 145 process.

All other civil filing fees are distributed by the JCC to the State Treasury for deposit in the Trial Court Trust Fund and other funds as required by law.

The JCC periodically revises the TC-145 and related distributions to reflect changes in state law or Judicial Council rules. The Court and County agree to follow such revisions in the distribution of Court filing fee revenues.

- (b) The Court and County shall make monthly distributions of criminal and traffic fine and forfeiture collections as required by the Manual of Accounting and Audit Guidelines for Trial Courts-Appendix C, revised periodically pursuant to changes in law by the Office of the State Controller. The distribution requirements contained in Appendix C are defined in the Court's criminal/traffic case management systems, which produce monthly reports that display the amounts to be distributed to each of the following agencies: the State, the County, Marin cities and towns, College of Marin and the Court. The Court uses the report from the case management systems to prepare a Monthly Distribution Report. The Auditor-Controller distributes these revenues to the Court, Marin towns and cities, College of Marin, State and County, as prescribed in Appendix C and local penalty assessment Board resolutions.

- (c) Revenues not covered above by (a) or (b) are distributed as follows:

The Court's portion of the marriage license fee authorized by Government Code section 26840.3 is remitted quarterly to the Court by the County.

Nothing in this Article is intended to alter, expand, restrict or limit the rights, obligations or entitlements of the parties as described in Government Code section 68085.

- (d) The Court maintains trust accounts for bail in criminal and traffic cases; for court-ordered deposits by civil litigants; and for deposits by civil litigants for court reporter transcripts in appeals and juror per diem and mileage costs.
- (e) Such other distributions and allocations as provided for by written agreement or by law and as amended from time to time.

**MEMORANDUM OF UNDERSTANDING BETWEEN
MARIN COUNTY SUPERIOR COURT AND COUNTY OF MARIN**

**ARTICLE III
ENHANCED COURT COLLECTIONS PROGRAM**

Court and County entered into a Memorandum of Understanding executed on December 5, 2006 to implement an enhanced collection program in accordance with Penal Code section 1463.007 and requirements of Senate Bill 940 (Chapter 275, Statutes of 2003, Comprehensive Collections Program). The respective roles and responsibilities of County, through its County of Marin Child Support Services and Probation departments, and Court are described in this Memorandum of Understanding, which is incorporated herein and attached as Exhibit B.

**ARTICLE IV
COURT FACILITIES**

Court, County and the Judicial Council of California have executed a Memorandum of Understanding for the Continued Use of the Historic Marin Courthouse in Satisfaction of Government Code Section 70329 and a separate Memorandum of Understanding for Continued Part Time Limited Use of the Juvenile Courtroom Located in Marin County at 2 Jeannette Prandi Way, San Rafael, California. The respective duties and responsibilities of all parties to the MOU with regard to the use, repair and maintenance of court facilities and future County Facilities Payment are described in these MOUs. These MOUs were executed on March 25, 2008 and are attached hereto as Exhibit C.

**ARTICLE V
COURTHOUSE CONSTRUCTION FUND**

On June 30, 1998, the Courthouse Construction Fund had a fund balance of \$533,800.14. Including accrued interest, the fund balance in the Courthouse Construction Fund 80302 (Fund 1410 in new MUNIS financial system Chart of Accounts effective July 1, 2016) at June 6, 2016 is \$633,198.22. This fund balance may change during the course of a year based on collected fees and annual debt service obligations. Any use of funds other than for debt service obligations would be based on agreement with the County, Courts and Judicial Council.

**ARTICLE VI
CONTRACTS AND PURCHASE ORDERS**

All contracts and purchase orders executed by Court after January 1, 1998, are generally the sole responsibility of Court. The Presiding Judge, or designee, will authorize contracts and purchase requisitions on Court's behalf. To the extent these contracts or purchase orders may affect County operations or facilities or expose County to legal or financial risk, Court will consult with County during negotiation and prior to execution of the contracts or purchase orders. Court agrees to seek approval from the Frank Lloyd Wright Conservancy Commission prior to initiating any facilities-related projects under the Commission's purview and before seeking authorization from the County Board of Supervisors for such projects.

**MEMORANDUM OF UNDERSTANDING BETWEEN
MARIN COUNTY SUPERIOR COURT AND COUNTY OF MARIN**

**ARTICLE VII
RECORDS**

The parties will maintain and provide to one another all records necessary and appropriate to the administration of Court and County to the extent permitted by law.

**ARTICLE VIII
ADDITIONAL COUNTY-PROVIDED SERVICES**

In the event Court desires to procure County services in addition to those expressly identified in this MOU and its exhibits, County may provide the additional services on a full-cost recovery basis at County discretion, by agreement memorialized in writing.

**ARTICLE IX
PROVISION OF COUNTY BENEFIT AND DEFERRED COMPENSATION PLANS FOR COURT
PERSONNEL**

Pursuant to the Trial Court Employment Protection and Governance Act of 2000 (Senate Bill 2140, Chapter 1010), the Court is the successor employer for trial court personnel. Additionally, the County will continue to provide Court personnel participation in County benefits which include retiree insurance plans, defined-benefit plans, federally regulated benefits, and other employment benefits that are also available to County personnel through at least December 31, 2013 or until such time thereafter that Court or County desires to alter its participation under the terms of this article. Any party wishing to withdraw from participation in any of the programs identified in this Article shall provide written notice of at least 120 days in advance of the proposed withdrawal.

Court and County have clarified the Court's participation as a successor employer in the County's deferred compensation 457 Plan in a Memorandum of Understanding, executed on March 11, 2008 and attached hereto as Exhibit D.

**ARTICLE X
COURT SECURITY SERVICES**

Pursuant to Government Code section 69926(b), County agrees to continue providing court security services to Court. The express terms and conditions agreed upon by the parties for provision of these court security services, including service levels, staffing plan and other agreements pertaining to court security services are set forth with particularity in the Court Security Services Memorandum of Understanding between Court, Sheriff and County, executed on October 22, 2013 and attached hereto as Exhibit E. Included in the Court Security Services Memorandum of Understanding is a complete listing of perimeter screening equipment owned by the Court but used by Sheriff. This agreement will be separately negotiated between the Sheriff-Coroner and the Court to confirm the provision of court security services through June 30, 2018.

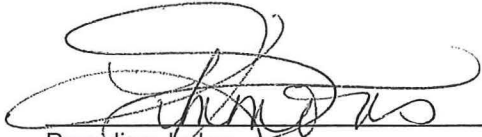
**ARTICLE XI
INFORMATION SYSTEMS SECURITY**

Both the Court and the County agree to maintain system security measures for their own automated systems as well as data privacy and integrity rules and internal procedures for their employees. Both parties agree to promptly report any security breaches that may impact the other party's system and to cooperate in correcting any such security breaches.

**MEMORANDUM OF UNDERSTANDING BETWEEN
MARIN COUNTY SUPERIOR COURT AND COUNTY OF MARIN**

ARTICLE XII
TERM OF AGREEMENT

This MOU is effective upon signature of the Presiding Judge of the Court and the President of the Board of Supervisors. This MOU will terminate June 30, 2018, unless the parties agree in writing to its month to month extension until a new MOU is executed.



Presiding Judge
Honorable Kelly Simmons
Marin County Superior Court

6/10/16

Date



President, Board of Supervisors
Steve Kinsey
County of Marin

6/21/16

Date

Exhibit A

Charges for County Services

This Exhibit supplements the Memorandum of Understanding between the Marin County Superior Court and County of Marin and is incorporated therein by reference. County services are characterized as direct services, in which Court purchases deliverable goods or specific services from County departments. A description of each County department regularly providing services to Court is delineated below.

Direct services are those which are performed for Court by County departments for specific goods or services. These goods and services reflect current charges and are billed to Court by County departments on "fee for service" bases or other similar arrangements. The Court shall make payment to these departments after invoices have been reviewed. County departments shall deposit the revenue generated from these services as directed by the County. The cost for any services provided by the County to the Court will be subject to negotiation between the parties and will include detailed monthly, quarterly or annual billing as specified below to fully support and document the charges for services.

Section 1 – Human Resources

Court and County agree that the Court may participate in County benefits programs administered by Human Resources. The Court will reimburse County for a proportionate share of the administrative and benefit negotiation costs of the County benefit programs. Should the Court purchase its own benefit program, or be required to participate in a state-mandated benefits program, the Court shall give the County 120 days notice of termination of the benefit program. This provision shall not be subject to the notice requirement contained in Government Code section 77212(b).

Section 2 – Information Services and Technology (IST) Department

A. *New Technology Project Development.* Court may request, and IST may provide services in support of new development projects. In such event, Court and County shall agree to an addendum to the MOU, describing the scope, timeline and estimated cost of the services. IST shall invoice Court for actual costs of such new development upon completion of project milestones or pursuant to other agreement of Court and IST. These invoices may include source documents for charges included in the invoice. Court shall reimburse IST for these actual costs. Reimbursement for these costs shall not exceed the amount stated in the cost estimate unless agreed to in writing.

B. *Automation Support, Infrastructure and Operations.* IST shall provide Court all technology services consistent with the level of service provided in the 1994-95 fiscal year. This service level has two components: 1) Court's proportionate share of production support and maintenance of case management systems housed at County IST and network connectivity, and 2) maintenance and application support of existing CJIS, Beacon and JURIS case management systems. These charges are billed quarterly.

Section 3 – Department of Public Works (DPW)

A. *Janitorial.* DPW contracts with a janitorial vendor to provide certain janitorial services in the Civic Center after business hours. DPW shall include additional custodial services in this contract to cover Court's regular, daily custodial services for the Court floor to maintain Court floor facilities in a clean and healthful manner. Court shall reimburse DPW for the full cost of regular, daily janitorial & custodial services provided by the vendor, as well as a reasonable fee for administering the contract. DPW Building Maintenance division also provides evening and weekend building nightwatch services, and custodial services for Court on non-Court's floor areas at the Civic Center. Court shall reimburse DPW for Court's pro rata share of these services, based on the square footage calculation of the percentage of space (Rooms 110 through 117 and Rooms 242 through 246) occupied by Court in the Civic Center. These charges are billed quarterly.

B. *Printing.* DPW may provide Court with printing services and shall invoice Court for the actual cost for these services, including overhead charges. These charges are billed monthly.

Exhibit A
Charges for County Services

- C. *Shipping and Receiving.* DPW shall provide Court all loading dock and shipping and receiving services. The direct cost of shipping and receiving staff is determined from time estimates made by DPW. This service is billed annually.
- D. *Building Maintenance.* DPW shall provide Court with audio, electrical, locksmith and other building maintenance services in court facilities as required to assure the efficient operation of the Court. DPW shall invoice Court for these services at the conclusion of such building maintenance projects.

Section 4 – County Counsel

From time to time, the Court may request legal services from County Counsel. Those services may be provided at a billing rate of \$205.00 per hour, pursuant to Board of Supervisors Ordinance Number 3562 dated May 24, 2011, which may be revised during the contract period to a maximum of \$220.00 per hour.

ATTACHMENT A

PRIOR ADOPTED COURT/COUNTY MOUS

Exhibit B	Department of Child Support Services	Page 2 – 11
Exhibit C	Memorandum of Understanding between the Judicial Council of California, Administrative Office of the Courts, the County of Marin and the Superior Court of California, County of Marin, For The Continued Use of the Historic Frank Lloyd Wright Designed Marin County Civic Center hall of Justice in Satisfaction of Government Code Section 70329	Page 12 – 17
	Memorandum of Understanding between the Judicial Council of California, Administrative Office of the Courts, the County of Marin, And the Superior Court of California, County of Marin, For the Continued Part Time Limited use of Juvenile Courtroom Located In Marin county at 2 Jeanette Prandi Way, San Rafael, California	Page 18 - 23
Exhibit D	Agreement with Marin County Superior Court Authorizing Participation of Court Employees and Former Court Employees In Marin County's Deferred Compensation Plan	Page 24 – 32
Exhibit E	Fiscal Year 2013-14 Memorandum of Understanding – Court Security Services the Superior Court of California, the County Of Marin and the Marin County Sheriff-Coroner	Page 33 – 46

Exhibit B

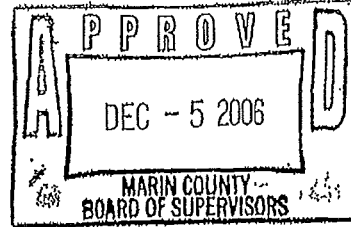
DEPARTMENT OF CHILD SUPPORT SERVICES

COUNTY OF MARIN

KEITH G. PEPPER - DIRECTOR

December 5, 2006

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903



SUBJECT: Establishment of an Enhanced Court Collections Division within the Department of Child Support Services, Pursuant to SB 940

RECOMMENDATION:

1. Authorize the Memorandum of Understanding Between the Superior Court and the County establishing an Enhanced Court Collections Program.
2. Authorize the creation of the Enhanced Court Collections Division within the Department of Child Support Services including the addition of 6.0 FTE Staff Positions.

Dear Board Members:

Under the Trial Court Funding Act, collection of fees, fines, penalties and assessments imposed by the Court is a County-mandated function to be carried out in coordination with the local court. To date, the County of Marin and its Superior Court have not been aggressive in the area of delinquent collections, due to limited in-house collections resources and the absence of State funding for collections activities.

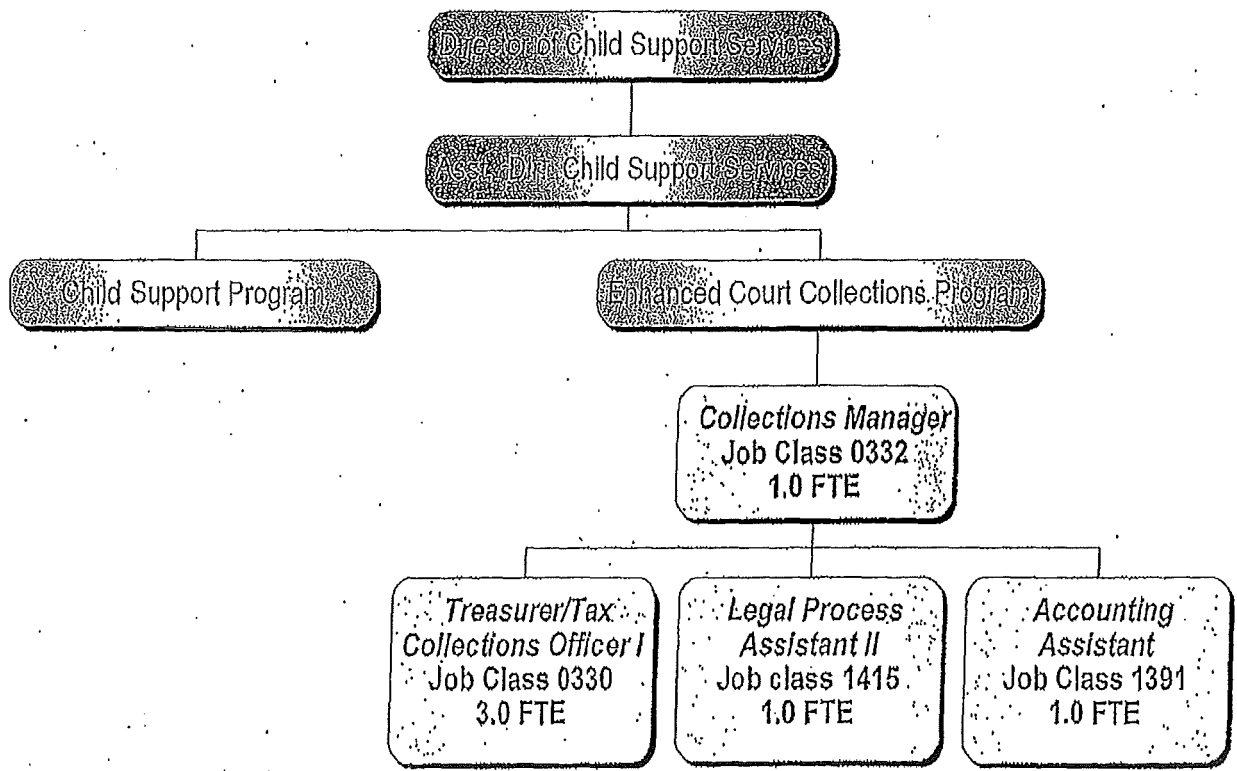
In 2003, California Senate Bill 940 established a framework to ensure that more fees, fines, penalties and assessments ordered by the courts are collected. In effect, SB 940 allowed each Superior Court and County to develop an enhanced cooperative collections plan, and set up a definition under which if a County meets certain requirements, the County can recoup the costs of the collection program directly from the dollars collected.

The County Administrator's Office has been working with the Superior Court since the passage of SB 940 to determine and review various scenarios of how to meet the requirements of the enhanced collections program. This review found that the optimal scenario for the County is to establish the enhanced court collections program within the Department of Child Support Services (DCSS). The review also found that while DCSS currently has collection officers and other personnel trained in this field, in order to accurately report and recoup costs from the State limited to the court collections activities, a new division with staff separately assigned to the new collection activities should be created.

Establishing this new program provides additional revenue to the county from the fines that were previously not being pursued. In addition, adding the new division to DCSS helps the department mitigate the consequences of significant funding cuts by the State over the last three fiscal years. The department's budget is 100% comprised of State and Federal funds. By creating this new unit and adding new positions that are fully reimbursable under SB 940,

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ATTACHMENT B

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into by and between the County of Marin Child Support Services and Probation departments (hereinafter referred to as the "County") and the Superior Court of California, County of Marin ("Court") (collectively, the "Parties", as may be applicable.) This MOU will become effective on the date of the last signature affixed hereto.

RECITALS

WHEREAS, California Penal Code Section 1463.010 requires the Court and County to develop a cooperative plan to implement a collection program for the collection of delinquent fees, fines, forfeitures, penalties, and assessments arising from criminal cases ("Fees"); and

WHEREAS, the Parties have developed such a collection program (the "Program") and wish to set forth their respective rights and responsibilities under the Program.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. COURT RESPONSIBILITIES

The Court will:

- a. Transfer all accounts in which payment on Fees are delinquent ("Qualifying Accounts") to the County for collection. Court will not be obligated to transfer a Qualifying Account until the civil assessment imposed on that account has become effective under California Penal Code Section 1214.1.
- b. Transfer to County all information stored on the Court's case management system that is necessary to pursue billing and collection of Qualifying Accounts in an organized and efficient manner. Such transfer will be in an electronic medium that is mutually agreed upon in writing by both parties. The electronic transfer of such data will be completed daily (excluding weekends and Court and County holidays).
- c. Allow the County to have on-going access to the Court's case management system. Access will be provided as necessary only for administrative purposes related to the implementation and continued operation of the Program. The County will bear the cost of this access.
- d. Provide the County with clarification, reconciliation and verification for amounts ordered, case discrepancies, and adjustments on all case types.
- e. Collect Fees in the Court's branch offices on behalf of the County. Such collections made by the Court will be deposited in a fund mutually agreed to by County and Court.

f. Provide the County with daily adjustments or exception reports on Fees based on Court orders (excluding weekends and Court and County holidays).

g. Except for the revenue allocated for victim restitution, distribute the revenue collected under the Program according to state law and Administrative Office of the Courts ("AOC") and State Controller Office ("SCO") regulations and guidelines.

2. COUNTY RESPONSIBILITIES

The County will:

a. Collect the outstanding balances for all Qualifying Accounts transferred to it by Court.

b. Implement and operate the Program as a comprehensive collections program as that term is defined in California Penal Code Section 1463.007 and applicable guidelines and standards approved from time-to-time by the Judicial Council of California.

c. Operate the Program as a separate and distinct revenue collection activity. To satisfy this requirement the Program must have the ability to identify and collect revenue of Qualifying Accounts and to document the related costs of collection in connection with the Qualifying Accounts.

d. Provide the Court with access to the County's operating system to enable Court to view and print the payment history for all Qualifying Accounts. The costs for this access will be borne by the County.

e. Provide the Court with a monthly report indicating the amount of revenue collected under the Program, in a format mutually agreed upon in writing, to enable Court to meet its reporting requirements to the AOC. The monthly report will also include the following: 1) the gross amount of revenue collected under the Program; 2) the number and balance of Qualifying Accounts transferred to the County, including any adjustments; 3) the gross revenue collected for each Qualifying Account; 4) the monthly amount the County has deducted as its allowable collection costs under California Penal Code Section 1463.007 (its "Allowable Costs"); and 5) the monthly net revenue to be distributed. This report will be provided no later than ten (10) calendar days after the end of each month.

f. Have the capability to adjust original Fees on the County's collection operating system based on a court order.

g. Maintain and preserve all records related to the Program for the minimum period required by law according to California Government Code Section 26202, and as necessary to comply with State audit requirements and the guidelines and standards of the Judicial Council.

h. Return any Qualifying Account for which there is an outstanding balance to the Court in accordance with policy set by the Court.

- i. Deposit all revenue collected under the Program into Agency Fund 80154, or as otherwise agreed to in writing by the Parties.
- j. Distribute the revenue collected under the Program and allocated for victim restitution pursuant to statute.
- k. Refrain from subcontracting any of its responsibilities under this MOU without the prior written approval of the Court.
- l. Implement and follow the requirements set forth in the Information Practices Act of 1977 (California Civil Code section 1798 et seq.) in respect of any and all personal and confidential information accessed through Court's computer systems

3. JOINT RESPONSIBILITIES

The Parties will:

- a. Designate an employee to act as the contact person for each Party to facilitate the exchange of information and resolve any day-to-day issues. Parties will work co-operatively to effectuate the provisions and purposes of this MOU. The Parties will also meet together monthly or as otherwise agreed to discuss issues of mutual interest and concern that may arise in connection with the Program.
- b. Deposit into a fund mutually agreed to by both Parties all revenue received for accounts that should have gone to the other Party, and forward the receipts to the correct Party.
- c. Receive, reply to and/or comply with any audit of an appropriate State audit agency that directly relates to the Program or revenue to be handled or disbursed hereunder.
- d. Safeguard all confidential information shared between the Parties to carry out the purpose of the Program. Neither party will disclose the information shared between the parties to a third party of the information without the prior written consent of the other party, with the exception of audits performed by the AOC, the SCO, or other legally authorized agency.
- e. Evaluate potential for the County to assume responsibility for additional types of collection in the future.
- f. Monitor and implement any changes or modifications to State laws and/or regulations affecting the Program and notify the other Party of such changes.
- g. Jointly develop a cooperative plan and a manual of operational policies and procedures to implement Judicial Council guidelines governing the Program. Both Parties will also jointly report to the Judicial Council at least annually on the effectiveness of the Program, or as the Judicial Council may otherwise require.

h. Maintain all records and documentation related to the performance of this MOU, including records related to billings and other financial records, in an accessible location and condition for a period of not less than five (5) years after a Qualifying Account is completely paid or until after final audit has been resolved, whichever is later. Each Party will adequately protect all records against fire or other damage.

i. Permit authorized representatives of the other Party, the AOC, the SCO and/or their designee at any reasonable time to inspect, copy, or audit any and all records and documentation related to the performance of this MOU, including records related to billings and other financial records. County will allow the auditor(s) access to such records during normal business hours and will allow the auditor(s) to interview any employees or others who might reasonably have information related to such records.

4. DEDUCTIONS FOR ALLOWABLE COSTS.

a. Each Party may deduct from the monies collected under the Program its Allowable Costs prior to distributing said monies. Allowable Costs, either direct or indirect, will be reimbursed in the amount and manner set forth in the guidelines and regulations established by the AOC and the SCO.

b. Each Party's responsibilities under this MOU are independent of any right to deduct its Allowable Costs. The Parties agree that neither Party has an obligation to pay or reimburse the other Party for any amounts or costs incurred by the other Party in performing its responsibilities under the Program.

5. TERM/TERMINATION

a. This MOU shall be effective on the date of the last signature affixed hereto and shall remain in effect until terminated by either Party in accordance with Section 5b of this MOU.

b. Either Party may terminate this MOU by giving notice to the other Party in the manner specified in Section 7e below; provided, however, such termination shall not be effective, and this MOU shall remain in full force and effect, unless and until the County and the Court execute a written memorandum setting forth their agreement on the operation of a subsequent collection program as required by Penal Code Section 1463.010. Such notice will be given at least sixty (60) days prior to the end of the County's fiscal year and, subject to satisfying the requirements of this Section 5, will become effective only upon the first day of the County's succeeding fiscal year.

6. DISPUTE RESOLUTION

a. If the Parties disagree as to any matter governed by this MOU, the dispute resolution process discussed in this Section 6 will govern. If after thirty (30) days of negotiations between the employees designated in Section 3a, the Parties cannot resolve a dispute, either Party may give the other Party a written request for a meeting between the Court Executive Officer and the

County Administrative Officer for the purpose of resolving a disagreement between the Parties. If such meeting is requested, the meeting will be held within ten (10) days of the receipt of such request.

b. If the meeting between the Court Executive Officer and the County Administrative Officer fails to occur or fails to resolve the disagreement, the dispute will be submitted for non-binding mediation by a third party mutually agreed upon by the Administrative Director of the Courts and the California Association of Counties. If the mediation fails to resolve the disagreement, either Party may request binding arbitration by a third party mutually agreed upon by the Administrative Director of the Courts and the California Association of Counties. Until the dispute is resolved, both Parties will continue to perform their respective responsibilities under this MOU.

7. MISCELLANEOUS

a. Entire Agreement. This MOU, and all exhibits hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous modifications, agreements, proposals, negotiations, representations, and commitments, both oral and written, between the parties of this MOU.

b. Amendment. No addition to or alteration of the terms of this MOU will be valid unless made in the form of a written amendment, which is formally approved and executed by the governing bodies of each of the Parties of this MOU, or their respective authorized designees.

c. Further Assurances. Each Party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time, in order to effectuate the provisions and purposes of this MOU.

d. Time. Time is of the essence of each and all of the provisions of this MOU.

e. Notices. Any notices required or permitted hereunder shall be in writing and may (a) be personally delivered; (b) be mailed by depositing such notice in the United States mail, first class postage prepaid; or (c) be sent by reputable overnight delivery service; addressed as follows or to such other place as each Party may designate by subsequent written notice to the other Party:

If to County: Enhanced Court Collections Program
7655 Redwood Blvd.,
Novato, CA 94945
Attn: Director of Child Support Services

If to Court: Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988
Attn: Court Executive Officer

- f. Waiver. Any waiver by either Party of the terms of this MOU must be in writing and executed by an authorized representative of the waiving party and will not be construed as a waiver of any succeeding breach of the same or other term of this MOU.
- g. Counsel and Drafting. Each Party, by its due execution of this MOU, represents to the other Party that it has reviewed each term of this MOU with their counsel, or has had the opportunity for such review with their counsel. No Party will deny the validity of this MOU on the ground that such Party did not have the advice of counsel. Each Party has had the opportunity to participate in drafting and preparation of this MOU. The provisions and terms of this MOU will be interpreted in accordance with the plain meaning thereof, and will not be construed in favor or against either Party.
- h. Counterparts. This MOU may be executed in one or more counterparts, all of which together will constitute one and the same agreement.
- i. Severability. The provisions of this MOU are separate and severable. If any provision of this MOU is held by a court of competent jurisdiction or arbitration to be invalid, void or unenforceable, then (i) the remaining provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way; and (ii) such provision will be enforced to the maximum extent possible so as to effect the reasonable intent of the parties hereto and will be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.
- j. Governing Law. This MOU will be construed under the laws of the State of California, without regard to its conflict of law provisions.
- k. Authority to Execute this MOU. County and Court certify that the individual(s) signing below on behalf of the Party has authority to execute this MOU on behalf of the Party, and may *legally bind the Party to the terms and conditions of this MOU, and any attachments hereto.*
- l. Legislative Changes. This MOU is subject to any future legislation that may alter or amend any provision contained herein.
- m. Independent Contractor. County will be, and is, an independent contractor, and is not an employee or agent of Court, and neither County nor any person engaged by County to perform County's responsibilities under this MOU is covered by any employee benefit plans provided to Court employees. County is liable for the acts and omissions of itself, its employees, its subcontractors and its agents. Nothing in this MOU will be construed as creating an employment or agency relationship between Court and County. County will determine the method, details and means of performing County's responsibilities under this MOU, including, without limitation, exercising full control over the employment, direction, compensation and discharge of all persons assisting County. County will be solely responsible for all matters relating to the payment of its employees, including compliance with social security, withholding any and all employee benefits, and all regulations governing such matters.

n. Risk Allocation. It is the intention of both parties that neither of the parties shall be responsible for the negligent and/or intentional acts and/or omissions of the other, or its judges, subordinate judicial officers, directors, officers, agents and employees. The parties therefore disclaim in its entirety the pro rata risk allocation that could otherwise apply to this MOU pursuant to Government Code 895.6. Instead, pursuant to Government Code section 895.4, the parties agree to use principles of comparative fault when apportioning any and all losses that may arise out of the performance of this MOU.

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the day and year first below written.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF MARIN:

By: Lynn Purver
Lynn Purver, Presiding Judge
12/11/06, Date

COUNTY OF MARIN:

By: Susan L. Adams
Susan L. Adams, President, Board of Supervisors
12/5/06, Date

ATTACHMENT C

PROPOSED BUDGET FOR ENHANCED COURTS COLLECTIONS PROGRAM

	Annual	FY 06-07	
** Total Revenues- 4310100	\$683,256	\$315,349	
**** Total Expenditures	\$683,256	\$315,349	
***** Total Net County Cost	\$0	\$0	
* 5110110-Salaries - Regular Staff	\$312,546	\$144,252	Collection Manager (1.0 FTE), Treas/Tax Collection Officer I (3.0 FTE), Legal Process Assistant III (1.0 FTE), Accounting Assistant (1.0 FTE)
* 5110200-Salaries-Extra Hire/Special Appo			
* 5110311-Salaries - Other - BI-Lingual Pay			
* 5120100-OverTime - Regular			
* 5130510-Benefits - Retire - County Retir	\$75,296	\$34,752	
* 5130515-Benefits - Retire - County Retir			
* 5130525-Benefits - Retire - Retiree Heal			
* 5130530-Benefits - Retire Pub Debt Svc-M			
* 5130535-Ben - Auto Allowance			
* 5130540-Ben - Unused Fringe Benefits	\$49,348	\$22,776	
* 5140115-Other Employer Exp - Compensation	\$10,712	\$4,944	
* 5140125-Other Employer Exp - Other Emplo			
* 5140140-Other Employer Exp - Social Security	\$4,654	\$2,148	
** Salaries and Benefits	\$452,556	\$208,872	
* 5210100-Professional Services	\$6,000	\$2,769	armored truck
* 5210900-Maintenance & Repair Services -	\$25,000	\$11,538	RevQ software annual hosting expense
* 5211100-M & R Services -Land & Buildings			
* 5211200-Rent & Operating Leases			
* 5211220-Equipment Rental	\$14,400	\$3,323	\$200/mo per cubicle+computer 6 cubicles
* 5211270-Office Space	\$53,400	\$24,646	1351sq.ft. @ \$3.29
* 5211300-Professional Development Expense	\$2,000	\$923	training, conferences
* 5211400-Travel	\$500	\$231	mileage
* 5211500-Misc Services	\$5,000	\$2,308	locate and investigative services Account, Credit reporting
* 5220100-Office Supplies	\$20,000	\$9,231	printing (PrintMail) copier, advertising, office supplies, ergo equipment, postage, Fedex, UPS
** Services & Supplies	\$126,300	\$58,292	
5410200 Direct Benefit Payments			
** Other Charges	\$0	\$0	
* 7000310 Indirect Co Overhead (ICRP)	\$90,500	\$41,769	estimated ICRP rate of 20%
* 7000310-Indirect County Overhead (A-87)			
* 7000320 Insurance	\$3,900	\$1,800	based upon per employee charge of \$650
* 7000430-Telephone Services	\$10,000	\$4,615	
** Interdepartment Charges	\$104,400	\$48,185	
TOTAL	\$683,256	\$315,349	

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE COURTS,
THE COUNTY OF MARIN AND
THE SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MARIN,
FOR THE CONTINUED USE OF
THE HISTORIC FRANK LLOYD WRIGHT DESIGNED
MARIN COUNTY CIVIC CENTER HALL OF JUSTICE
IN SATISFACTION OF
GOVERNMENT CODE SECTION 70329**

This **MEMORANDUM OF UNDERSTANDING** ("MOU") is entered into on the 27 day of March, 2008 ("Effective Date") among the **Judicial Council of California, Administrative Office of the Courts ("AOC")**, the **County of Marin**, a political subdivision of the State of California ("County"), and the **Superior Court of California, County of Marin ("Court")**, together referred to in this MOU as "the Parties."

Whereas, the Lockyer-Isenberg Trial Court Funding Act of 1997, AB 233 (Escutia and Pringle), provides for the transfer of the primary obligation for funding of court operations from the counties to the State of California, and;

Whereas, the restructuring of funding for the trial court operations accomplished by the Lockyer-Isenberg Trial Court Funding Act of 1997 ended a dual system of county and state funding of, and created a more stable and consistent funding source for trial court operations, and;

Whereas, the Trial Court Facilities Act of 2002 (SB 1732), (Escutia) ("the Act") was adopted to provide for the transfer of responsibility for funding and operation of trial court facilities from the counties to the State of California on behalf of the Judicial Council of California, and;

Whereas, Government Code Section 70329 provides for an exception to the transfer of court facilities for historical buildings containing court facilities, and;

Whereas, the Marin County Civic Center designed by Frank Lloyd Wright located at 3501 Civic Center Drive, San Rafael, California, ("Civic Center") is designated as a California Registered Historical Landmark, Number 999, and;

Whereas, there are court administrative functions and 15 courtrooms (collectively referred to as "Court Facility") located in the Hall of Justice section of the historic Civic Center, and;

Whereas, the Parties wish to provide for the Court's continued use of the Court Facility located in the Hall of Justice section of the Civic Center, and;

NOW, THEREFORE, the AOC, County, and Court agree as follows:

AGREEMENT

1. Purpose

This MOU constitutes an agreement among the AOC, County, and Court under Government Code Section 70329 (all further references to sections are to the Government Code unless otherwise specified) by which the County will continue to make available to the AOC and the Court the Court Facility (as that term is used in the Act) located in that part of the historic Civic Center, commonly known as the Hall of Justice located at 3501 Civic Center Drive, San Rafael, California 94903. The Parties make and enter into this MOU with the intention that it be consistent with the provisions of the Act.

2. Authorized Signatories

The AOC's authorized signatory for this MOU is the Administrative Director of the Courts, William C. Vickrey. The County's authorized signatory for this MOU is the President of County's Board of Supervisors, Charles McGlashan. The Court's authorized signatory for this MOU is the Presiding Judge, Honorable Verna A. Adams.

3. No Transfer/Continuation Of Operational Responsibilities/Preservation of Status Quo

a. Because the Court occupies the Court Facility in the historic Civic Center, no transfer of title to the real property or transfer of responsibility for the Court Facility to the State will occur.

b. The Parties agree that Section 70329 relieves the County of its responsibilities to pay a County Facilities Payment (CFP) under Section 70312 related to the Civic Center so long as the County continues to make the Civic Center available to the AOC and Court for use as a Court Facility.

c. The County will continue to be responsible to the same extent as currently exists and at the County's sole cost and expense for the operation and maintenance of the Court Facility so long as it remains located in the Civic Center. County shall be

responsible for performing all necessary repairs and maintenance, including deferred maintenance, so that the areas of the Civic Center occupied by the Court on the Effective Date of this MOU remain in at least the same condition and state of suitability for use as a Court Facility as they were on the Effective Date. Neither the AOC nor the Court will be responsible for the operation and maintenance of the Civic Center or the Court Facility located in the Civic Center or for any of the costs or expenses of operation and maintenance of the Civic Center and the Court Facility, except as to those costs and expenses for which the AOC or the Court have currently accepted and assumed responsibility, or as otherwise agreed upon in writing. The Court will exercise reasonable care in the use of the Civic Center Court Facility areas and provide reasonable notice to County of any needed maintenance of or repairs to the Court Facility areas. Except as otherwise provided in Section 4 of this MOU, the AOC will bear responsibility, at AOC's sole cost and expense, for the operation and maintenance of any new court facilities required to accommodate future growth related to Court programs and operations housed in the Civic Center on the Effective Date of this MOU, including but not limited to growth related to new judgeships.

d. If the AOC should elect to relocate the Court Facility in its entirety from the Civic Center to a replacement facility, the State will have the sole responsibility to acquire, design, construct, operate, and maintain the replacement court facility and, once the Court Facility is so relocated, the County will have no further responsibilities for the Court Facility formerly located in the Civic Center other than the CFP under Section 70353 as provided in Section 4 herein. At all times before the State elects to relocate the Court Facility into a replacement court facility, the County will continue to have the right to provide, with consent of the Judicial Council and the Presiding Judge of the Superior Court, which consent will not be unreasonably withheld, alternative court facilities of at least comparable size, condition, and utility under Section 70329 (b) (2).

4. County Facilities Payment

a. If the AOC relocates the Court from the Civic Center to a replacement facility in accordance with Section 3(d) above, the County will then begin to pay to the State the estimated quarterly County Facilities Payments (CFP) under Section 70353. As the State has not appropriated any funding for a replacement court facility to replace the Court Facility currently located in the Civic Center, the Parties do not expect that the AOC and Court will vacate the Civic Center in the near future. The CFP will provide a source of funding for the ongoing operations and maintenance of any future replacement court facility consistent with the intent of the Legislature in enacting Government Code Section 70351.

b. Consistent with the Legislature's intent, the CFP will be limited to that amount the County historically expended for operation and maintenance of the Court

Facility, and the State will pay for ongoing operations and maintenance of any new court facility in excess of the County's CFP.

c. The Parties agree that when the CFP commences upon the relocation of the Court Facility from the Civic Center, the first four quarterly CFP's will be based upon the State's and County's good faith estimates of the operating, maintenance, repair, insurance, and utility expenses projected for those expenses of the replacement court facility during the first year of its operation adjusted proportionately to reflect only the gross area that the Court occupied in the Civic Center Court Facility.

d. After one year of occupancy in the replacement court facility, the actual expenses of the first year of court operations, proportionately adjusted as above, will be used to determine the permanent quarterly CFP. However, the permanent quarterly CFP shall not exceed that of the cost of the last full year of court operations before relocation of the Court Facility from the Marin Civic Center Court Facility. The AOC and the County will compare the estimated and actual expenses for the first year of occupancy of the replacement court facility at the end of the first year to determine the amount of a one-time reconciliation payment to the County should the actual expenses be less than that of the last full year of court operations before the relocation.

5. Disposition of Civic Center, Furniture, and Fixtures

Because no transfer of responsibility or title will occur for the Court Facility, Section 70391(c) will not apply. The AOC relinquishes any rights under the Act to the Civic Center, including but not limited to, all real property, and all improvements, historical fixtures, and historical furniture, except for any personal property determined to be the property of the Court under AB 233.

6. Non-Binding Dispute Resolution

a. Any dispute between the Parties arising out of this MOU will first be subject to informal negotiations consisting of a letter from the party alleging the dispute to the other parties and identifying it as a request for dispute resolution under this paragraph of the MOU. Any party receiving such a request for dispute resolution must respond within thirty calendar days of its receipt. The Parties will then engage in an unassisted negotiation regarding the dispute within the next ninety days or as otherwise mutually agreed in writing. At the conclusion of the informal negotiations, the Parties will mediate the dispute at the request of any party.

b. The Parties will mutually agree on a mediator within sixty calendar days of the informal negotiations conclusion. If the Parties do not agree to a mediator within sixty calendar days of the negotiation conclusion, the Parties agree to use the dispute

resolution services of JAMS, its successor, or a mutually agreed-upon alternative dispute resolution agency to assist in the appointment of a qualified neutral third-party mediator.

c. Within thirty calendar days of the selection or appointment of the mediator, the mediator must set a date, not more than ninety calendar days in the future unless the Parties so agree, for the Parties to each submit a written summary of issues and disputes. The Parties will equally share the costs of the mediator and any other associated mediation expenses, except for attorney fees and costs. A written agreement regarding compensation expenses must be reached between the mediator and the Parties before the mediation is commenced.

d. After consulting with the Parties, the mediator will fix the date, time, and place of each mediation session to be held at any convenient location agreeable to the Parties and the mediator. The mediation must be completed within sixty calendar days after the date designated for the delivery of the mediation statements unless the Parties and mediator otherwise mutually agree in writing.

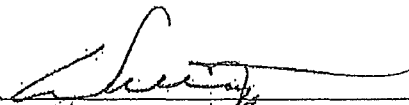
e. The Parties must attend the mediation sessions and have a representative familiar with the facts of the dispute and with the authority either to negotiate on behalf of or to effectively recommend settlement to the entity he/she represents. Parties to the mediation may have the assistance of an attorney or other representative of their choice at their sole expense. Other persons may attend the mediation sessions only with the consent of all Parties and the mediator. Each party shall bear its own attorney fees and costs incurred as part of this mediation process.

f. The mediation statements and mediation will be confidential in all respects, and the provisions of California Evidence Code sections 1152 and 1154 will apply to all written and oral evidence presented in the mediation and to any and all settlement communications, or mediation communications made during the mediation itself or otherwise in furtherance of or related to the mediation or settlement of the dispute.

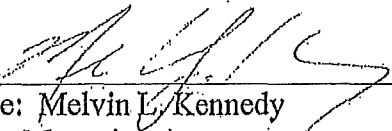
[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the day and year first above written.

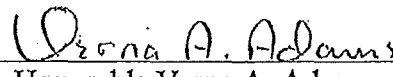
**JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE
COURTS**

By: 
Name: William C. Vickrey
Title: Administrative Director of the Courts
Date: 3-7-08

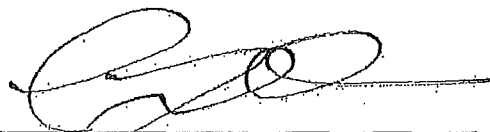
**APPROVED AS TO FORM:
Office of the General Counsel,
Judicial Council of California,
Administrative Office of the Courts**

By: 
Name: Melvin L. Kennedy
Title: Managing Attorney
Date: 03-12-08

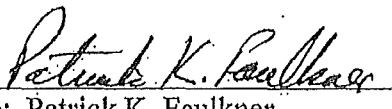
**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MARIN**

By: 
Name: Honorable Verna A. Adams
Title: Presiding Judge
Date: 03-21-08

THE COUNTY OF MARIN

By: 
Name: Charles McGlashan
Title: President, Marin County Board of Supervisors
Date: 3/25/08

**APPROVED AS TO FORM:
Office of the Marin County Counsel**

By: 
Name: Patrick K. Faulkner
Title: County Counsel
Date: 3/25/08

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE COURTS,
THE COUNTY OF MARIN, AND
THE SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MARIN,
FOR THE CONTINUED PART TIME LIMITED USE OF
JUVENILE COURTROOM LOCATED IN MARIN COUNTY
AT 2 JEANNETTE PRANDI WAY, SAN RAFAEL, CALIFORNIA**

This **MEMORANDUM OF UNDERSTANDING** ("MOU") is entered into on the 20th day of March, 2008 among the **Judicial Council of California, Administrative Office of the Courts** ("AOC"), the **County of Marin**, a political subdivision of the State of California ("**County**"), and the **Superior Court of California, County of Marin** ("**Court**"), together referred to in this MOU as "the Parties."

Whereas, the Lockyer-Isenberg Trial Court Funding Act of 1997, AB 233 (Escutia and Pringle), provides for the transfer of the primary obligation for funding of court operations from the counties to the State of California, and;

Whereas, the restructuring of funding for the trial court operations accomplished by the Lockyer-Isenberg Trial Court Funding Act of 1997 ended a dual system of county and state funding of, and created a more stable and consistent funding source for trial court operations, and;

Whereas, the Trial Court Facilities Act of 2002 (SB 1732), (Escutia) ("the Act") was adopted to provide for the transfer of responsibility for funding and operation of trial court facilities from the counties to the State of California on behalf of the Judicial Council of California, and;

Whereas, Government Code section 70323(b)(1) allows for a county to continue to hold title to a building which contains a Court Facility, and;

Whereas, the Court uses a room in a building commonly known as The Jeannette Prandi Center ("Court Facility"), located at 2 Jeannette Prandi Way, San Rafael, California on a part-time basis, three afternoons a week, and court staff do not maintain a permanent presence in this Court Facility, and;

Whereas, the Parties have determined that it is in the best interests of the Court and the AOC that responsibility for this Court Facility remain with the County and that the County continue to hold title to the building and be responsible for the part time limited use Court Facility, and;

NOW, THEREFORE, the AOC, County, and Court agree as follows:

AGREEMENT

1. Purpose

This MOU constitutes an agreement among the AOC, County, and Court pursuant to which the County will continue to make available to the AOC and the Court the room used as a Court Facility (as that term is used in the Act) for the purpose of conducting Juvenile Court Hearings at The Jeannette Prandi Center, located at 2 Jeannette Prandi Way, San Rafael, County of Marin, California. The Parties make and enter into this MOU with the intention that it be consistent with the provisions of the Act.

2. Authorized Signatories

The AOC's authorized signatory for this MOU is the Administrative Director of the Courts, William C. Vickrey. The County's authorized signatory for this MOU is the President of the County's Board of Supervisors, Charles McGlashan. The Court's authorized signatory for this MOU is the Presiding Judge, Honorable Verna A. Adams.

3. No Transfer/Continuation Of Operational Responsibilities/Preservation of Status Quo

a. For as long as the Court continues to use the Court Facility on a part-time basis, no transfer of title to the real property or transfer of responsibility for the Court Facility to the State will occur.

b. The Parties agree that the County is relieved of its responsibilities to pay a County Facilities Payment (CFP) under Section 70312 related to the Court Facility so long as the County continues to make the Court Facility available to the AOC and Court for part-time Court use for the purpose of conducting Juvenile Court hearings.

c. The County will continue to be responsible, at the County's sole cost and expense to the same extent as currently in effect, for the operation and maintenance of the Court Facility, performing all necessary repairs and maintenance, including deferred maintenance, so that the Court Facility remains suitable for use as a Juvenile Court Facility. Neither the AOC nor the Court will be responsible for the operation and maintenance of the Court Facility. The Court will exercise reasonable care in the use of the Court Facility area and provide reasonable notice to County of any needed maintenance or repairs to the Court Facility area. Except as provided in Section 4 of this agreement, the AOC will bear responsibility at AOC's sole cost and expense for the operation and maintenance of any new Court Facilities required to accommodate future growth related to Court programs and operations, including but not limited to new judgeships.

d. If the AOC should elect to relocate the Court Facility in its entirety from the Jeannette Prandi Center building to a replacement facility, the State will have the sole responsibility to acquire, design, construct, operate, and maintain the replacement Court Facility and, once the Court Facility is so relocated, the County will have no further responsibilities for Court Facilities formerly located in the Jeannette Prandi Center building other than as provided in Section 4 herein. At all times before the State elects to relocate the Court Facility into a replacement facility, the County will continue to have the right to provide, with consent of the Judicial Council and the Presiding Judge of the Superior Court, which consent will not be unreasonably withheld, alternative court facilities of at least comparable size, condition, and utility.

4. County Facilities Payment

a. In the event that the AOC relocates the Court Facility from the Jeannette Prandi Center building to a replacement facility, the County will then begin to pay to the State the estimated quarterly County Facilities Payments (CFP) under Section 70353. As the State has not appropriated any funding for a replacement Court Facility to replace the Court Facility currently located in the Jeannette Prandi Center building, the Parties do not expect that the AOC and Court will vacate the Jeannette Prandi Center building in the near future. The CFP will provide a source of funding for the ongoing operations and maintenance of future Court Facilities consistent with the intent of the Legislature in enacting Government Code Section 70351.

b. Consistent with the Legislature's intent, the CFP will be limited to that amount the County historically expended for operation and maintenance of the Court Facility, and the State will pay for ongoing operations and maintenance of any new Court Facility in excess of the County's CFP.

c. The Parties agree that when the CFP commences upon the relocation of the Court Facility from the Jeannette Prandi Center building, the first four quarterly CFP's will be based upon the State's and County's good faith estimates of the operating, maintenance, repair, insurance, and utility expenses projected for those expenses for the replacement Court Facility during the first year of its operation adjusted proportionately to reflect only the gross area that the Court Facility occupied in the Building.

d. After one year of occupancy in the replacement facility, the actual expenses for the Court Facility for the first year of court operations, proportionately adjusted as above, will be used to determine the permanent quarterly CFP. However, the permanent quarterly CFP shall not exceed that of the cost of the last full year of court operations before relocation of the Court Facility from the Jeannette Prandi Center building. The AOC and the County will compare the estimated and actual expenses for the first year of occupancy of the replacement facility at the end of the first year to determine the amount of a one-time reconciliation payment to the County should the actual expenses be less than that of the last full year of court operations before the relocation.

5. Disposition of Building, Furniture, and Fixtures

Because no transfer of responsibility or title will occur for the existing Court Facility, Section 70391(c) is inapplicable. The AOC relinquishes any rights under the Act to the Jeannette Prandi Center building, including but not limited to, all real property, and all improvements, fixtures, and furniture, except for any personal property determined to be the property of the Court under AB 233.

6. Non Binding Dispute Resolution

a. Any dispute between the Parties relating to this MOU will first be subject to informal negotiations consisting of a letter from the party alleging the dispute to the other parties and identifying it as a request for dispute resolution under this paragraph of the MOU. Any party receiving such a request for dispute resolution must respond within thirty calendar days of its receipt. The Parties will then engage in an unassisted negotiation regarding the dispute within the next ninety days or as otherwise mutually agreed in writing. At the conclusion of the informal negotiations, the Parties will mediate the dispute at the request of any party.

b. The Parties will mutually agree on a mediator within sixty calendar days of the informal negotiations conclusion. If the Parties do not agree to a mediator within sixty calendar days of the negotiations conclusion, the Parties agree to use the dispute resolution services of JAMS, its successor, or a mutually agreed-upon alternative dispute resolution agency to assist in the appointment of a qualified neutral third-party mediator.

c. Within thirty calendar days of the selection or appointment of the mediator, the mediator must set a date, not more than ninety calendar days in the future unless the Parties so agree, for the Parties to each submit a written summary of issues and disputes. The Parties will equally share the costs of the mediator and any other associated mediation expenses, except for attorney fees and costs. A written agreement regarding compensation expenses must be reached between the mediator and the Parties before the mediation is commenced.

d. After consulting with the Parties, the mediator will fix the date, time, and place of each mediation session to be held at any convenient location agreeable to the Parties and the mediator. The mediation must be completed within sixty calendar days after the date designated for the delivery of the mediation statements unless the Parties and mediator otherwise mutually agree in writing.

e. The Parties must attend the mediation sessions and have a representative familiar with the facts of the dispute and with the authority either to negotiate on behalf of or to effectively recommend settlement to the entity he/she represents. Parties to the mediation may have the assistance of an attorney or other representative of their choice at their sole expense. Other persons may attend the mediation sessions only with the

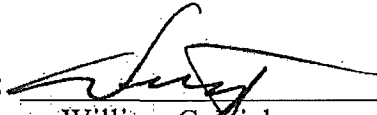
consent of all Parties and the mediator. Each party shall bear its own attorney fees and costs incurred as part of this mediation process.

f. The mediation statements and mediation will be confidential in all respects, and the provisions of California Evidence Code sections 1152 and 1154 will apply to all written and oral evidence presented in the mediation and to any and all settlement communications, or mediation communications made during the mediation itself or otherwise in furtherance of or related to the mediation or settlement of the dispute.

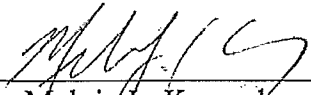
[SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the day and year first above written.

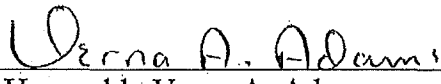
**JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE
COURTS**

By: 
Name: William C. Vickrey
Title: Administrative Director of the Courts
Date: 3-20-08

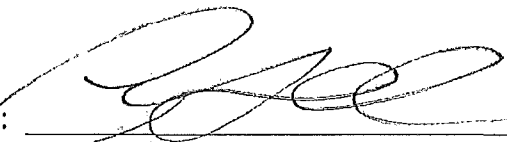
**APPROVED AS TO FORM:
Office of the General Counsel,
Judicial Council of California,
Administrative Office of the Courts**

By: 
Name: Melvin L. Kennedy
Title: Managing Attorney
Date: 03-18-08

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MARIN**

By: 
Name: Honorable Verna A. Adams
Title: Presiding Judge
Date: 03-21-08

THE COUNTY OF MARIN

By: 
Name: Charles McGlashan
Title: President, Marin County Board of Supervisors
Date: 3/25/08

**APPROVED AS TO FORM:
Office of the Marin County Counsel**

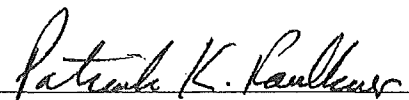
By: 
Name: Patrick K. Faulkner
Title: County Counsel
Date: 3/25/08

Exhibit D

PATRICK K. FAULKNER
COUNTY COUNSEL

JACK F. GOVI
ASSISTANT COUNTY COUNSEL

DOROTHY R. JONES
CHIEF DEPUTY

COUNTY COUNSEL OF MARIN COUNTY

3501 Civic Center Drive, Suite 303
San Rafael, California 94903-5222

(415) 499-6117

FAX (415) 499-3796
TDD (415) 499-6172

MARI-ANN G. RIVERS
RENEE GIACOMINI BREWER
DAVID L. ZALTSMAN
MICHELE KENO
NANCY STUART GRISHAM
JENNIFER M. W. VUILLERMET
PATRICK M. K. RICHARDSON
THOMAS F. LYONS
STEPHEN R. RAAB
STEVEN M. PERL
SHEILA SHAH LICHTBLAU
EDWARD J. KIERNAN
JESSICA F. MILLS
DEPUTIES

JEANINE MICHAELS
ADMINISTRATIVE ASSISTANT

March 11, 2008

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: (1) Approval of Agreement with Marin County Superior Court Authorizing Participation of Court Employees and former Court Employees in Marin County's Deferred Compensation Plan; and (2) Approval of Resolution Amending the Composition of the Deferred Compensation Advisory Committee for the Deferred Compensation Plan for the County of Marin.

Dear Supervisors:

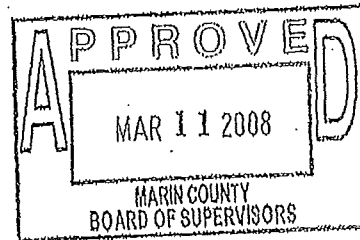
RECOMMENDATION: Approve: (1) Agreement with Marin Superior Court; and (2) Resolution Amending the Composition of the Deferred Compensation Advisory Committee for the County.

SUMMARY: Prior to the Marin Superior Court becoming an independent entity from the County of Marin, court employees and former court employees participated and continue to participate in the County's Deferred Compensation Plan. Now, the Court and County would like to formalize this participation through approval of an Agreement that has already been approved by the Court. Additionally, the County of Marin has previously established a Deferred Compensation Advisory Committee under the Plan and now desires to include a representative of the Marin Superior Court on the Committee.

FISCAL/STAFFING IMPACT: None.

REVIEWED BY:

- | | | |
|-------------------------------------|--------------------|-----|
| <input type="checkbox"/> | Auditor-Controller | N/A |
| <input checked="" type="checkbox"/> | County Counsel | |
| <input type="checkbox"/> | Human Resources | N/A |



Respectfully submitted,

Jack F. Govi
 Jack F. Govi
 Assistant County Counsel

CA-4

AGREEMENT

THIS AGREEMENT is entered into as of March 11th, 2008, between the COUNTY OF MARIN, referred to as COUNTY, and the SUPERIOR COURT OF CALIFORNIA, COUNTY OF MARIN, a California trial court, referred to as COURT, with reference to the following:

(i) COUNTY is a political subdivision of the State of California which has established a defined contribution deferred compensation plan as described in Title 26 U.S.C. Section 457 (hereafter "Plan"), for the benefit of its employees. The terms and conditions of the Plan are set forth in the Plan Document; and

(ii) The Plan is governed by Title 26, U.S.C. Section 457, regulations promulgated pursuant thereto by the Internal Revenue Service ("IRS"), and other applicable provisions of federal law (hereafter collectively referred to as "IRS Code"), and by reason of compliance with said IRS Code qualifies for favorable tax consequences under state and federal income tax laws; and

(iii) COUNTY administers the Plan; and

(iv) County will amend the Resolution to include an additional voting member in the Deferred Compensation Committee to be designated by COURT, so long as COURT continues participating in Plan.

(v) COURT is the successor employer to COUNTY for employees in COUNTY where COURT is located under Government Code Section 71615(c) of the Trial Court Employment Protection and Governance Act ("Act") and other provisions of the Code, effective January 1, 2001, for all trial court employees; and

(vi) Pursuant to Government Sections 71612, 71618, 71624, 71626, 71627, 71628, and 71629 of the Act, COURT employees may continue to participate in the COUNTY's Plan on the same terms available to COUNTY employees; and

(vii) COUNTY previously provided payroll services to the COURT for trial court employees, but the COURT assumed that function effective January 1, 2005, and

(viii) COUNTY has an existing contract with Nationwide Retirement Solutions ("Nationwide"), as the sole and exclusive vendor of administrative services and investments for the Plan and Nationwide is willing to provide these services for COURT employees who participate in the Plan; and

(ix) COURT acknowledges it is within COURT's sole discretion to continue providing a deferred compensation benefit to its employees using the COUNTY's established Plan and established administrative structure for that Plan; and

(x) COURT warrants by signature below that those trial court employees who participate in the Plan are eligible to do so pursuant to the Act and IRS Code;

ACCORDINGLY, IT IS AGREED:

1. **TERM:** This Agreement shall become effective as of _____ and shall be terminated as provided in this Agreement.

2. **ADOPTION OF PLAN:** COURT hereby affirms the January 1, 2001, adoption of the COUNTY's Plan as its own defined contribution deferred compensation plan offered to COURT employees, on the terms specified below:

A. Subject to the provisions herein, any eligible COURT employee may elect to become a participant in the Plan. A COURT employee participating in the Plan shall be entitled to the rights, benefits and privileges granted to COUNTY participants in the Plan.

B. COURT agrees to be bound by all terms, conditions and limitations of the Plan Document, of the contract with the Plan vendor, Nationwide, and by the COUNTY in its administration of the Plan, including, but not limited to, rules and regulations promulgated by the Board of Supervisors and understands that all of the foregoing terms, conditions and limitations of the Plan apply to COURT employees.

C. COUNTY shall be the sole arbitrator regarding the construction, interpretation, and application of the provisions of the Plan, as amended from time to time, with respect to both COUNTY and COURT employees who participate in the Plan.

D. COUNTY shall be the sole arbitrator regarding compliance of the Plan with the IRS Code including, but not limited to, the amendment, modification, suspension, termination or liquidation of the Plan with respect to COUNTY and COURT employees who participate in the Plan.

E. The Plan Document, as adopted and periodically revised by the Marin County Board of Supervisors, shall provide the exclusive basis for the administration of the Plan for all COUNTY and COURT employees, and is incorporated and made a part of this Agreement by this reference.

F. COURT acknowledges that COUNTY does not and cannot represent or guarantee that any particular federal or state income, payroll or other tax consequences will occur by reason of an employee's participation in the Plan.

G. On and after January 1, 2005, COURT accepts the responsibility for compliance with all payroll and fiscal requirements to enable COURT employees to participate in the Plan, including, but not limited to the responsibility for forwarding all deferred compensation contributions of COURT employees to the Plan vendor, Nationwide, and for providing all relevant information required by said vendor to administer the Plan.

H. COURT agrees to be bound by and honor the decisions and action taken by the Marin County Board of Supervisors in connection with Plan management and administration, including, but not limited to, amending or terminating the Plan, selecting investment options and service providers, and approving unforeseeable emergency withdrawal requests.

I. COURT agrees that no employee shall be allowed to contribute more than the maximum annual contribution into the Plan. If COURT offers one or more other 457 plans, COURT shall coordinate the maximum annual contribution among all of the plans and agrees that any excess deferrals resulting from participation in multiple plans shall be attributable to and distributed from one of the other 457 plans, not the Plan.

J. COURT agrees to facilitate educational programs developed by COUNTY for use with participants in the Plan.

3. **TRANSITION:** Nothing contained in this Agreement is intended by the COURT and COUNTY to constitute an interruption or termination of service that affects rights or duties under the Plan by reason of transition from COUNTY employment to COURT employment.

4. **AMENDMENT OF PLAN:** It is hereby affirmed that the Adoption Agreement for County Employee Benefit Plans, attached as Exhibit B to the Trial Court Funding Agreement Between the Marin County Superior Court and County of Marin, executed by COUNTY on November 20, 2001, and by COURT on November 27, 2001, (the "Trial Court Funding Agreement"), constituted an amendment to the Plan to the extent required to comply with the tax and substantive laws that pertain to the Plan, effective January 1, 2001. It is also hereby affirmed that the Plan and any adoption agreement with the vendor, Nationwide, were thereby amended to include the COURT as an "employer" under the terms of the Plan. The COUNTY or its designated employees or representatives shall continue to serve as committee members as named in any of the Plan documents, or in its contractual relationships with the Plan vendor, Nationwide. Except to the extent necessary to implement this Agreement and applicable laws, all provisions of the Plan shall remain fully effective.

5. **REIMBURSEMENT OF COSTS:** By reason of COURT employees' continued participation in the Plan, COURT shall reimburse the COUNTY for any administrative or

other reasonable costs allocable to COURT employees' participation in the Plan, which amounts shall be determined and communicated in good faith to COURT.

6. INDEMNIFICATION: In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the COURT and the COUNTY pursuant to Government Code section 895.6, and to the maximum extent permitted by law, the parties agree that COURT employees may continue to participate in the COUNTY's Plan on the same terms available to COUNTY employees; and COURT as a voting member in the Deferred Compensation Committee agrees that COURT and COUNTY stand in the same status and share equal responsibility and duties towards their employees provided, however, that any liability resulting from or in connection with actions taken by or under the responsibility of the Committee shall be allocated between the COUNTY and the COURT based upon the portion of the total Plan accounts held on behalf of COURT employees and former COURT employees. The above obligations shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement, to the extent permitted by law.

7. TERMINATION: The right to terminate this Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

A. Without Cause: COUNTY shall not have the right to terminate this Agreement without cause, unless COURT consents to the termination in writing. Upon COURT's written consent, COUNTY shall have the right to terminate this Agreement by giving 120 days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination. COURT shall withdraw from the Plan after COUNTY provides such notice and fulfills such other obligations to COURT or COURT employees as may be required under the Act and IRS Code. COURT may withdraw from the COUNTY Plan without cause only upon providing 120 days prior written notice and fulfilling such other obligations to COUNTY or the Plan as may be required under the Act and IRS Code.

B. With Cause:

1. This Agreement may be terminated by either party should the other party:
 - a. be adjudged bankrupt, or
 - b. become insolvent or have a receiver appointed, or
 - c. make a general assignment for the benefit of creditors, or
 - d. suffer any judgment which remains unsatisfied for 30 days, and which would

substantively impair the ability of the judgment debtor to perform under this Agreement, or

- e. materially breach this Agreement.
 - f. COUNTY terminates Plan.
 - g. Plan vendor terminates Plan, subject to COUNTY's good faith effort to find another suitable vendor.
2. For any of the occurrences except item 1(e), termination may be effected upon 120 days written notice by the terminating party specifying the date of the termination provided that the other party may waive the 120 day notice requirement.
 3. Upon a material breach, the Agreement may be terminated following the failure of the defaulting party to remedy the breach to the satisfaction of the non-defaulting party within 30 days of written notice specifying the breach. If the breach is not remedied within that 30 day period, the non-defaulting party may terminate the agreement on further written notice specifying the date of termination.
 4. If the nature of the breach is such that it cannot be cured within a 30 day period, the defaulting party may, submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting party consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting party may terminate upon written notice specifying the date of termination.

C. Effects of Termination: Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities.

8. ENTIRE AGREEMENT REPRESENTED: This Agreement represents the entire agreement between COURT and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect, except the Trial Court Funding Agreement shall have force and effect as to the subject matter of this Agreement to the extent any provision therein does not conflict with this Agreement. In the event of any conflict between this Agreement and the Trial Court Funding Agreement, the terms of this Agreement shall govern. No part of this Agreement may be modified without the written

for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

14. RECITALS: The Recitals to this Agreement are fully incorporated into and are integral parts of this Agreement.

15. CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY: This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject or if the application of this Agreement to any person or circumstances, is held invalid, the invalidity shall not affect other provisions or application of the Agreement which can be given effect without the invalid provisions and to this end the provisions of this Agreement are severable. The conflicting provision shall be considered null and void. COURT and COUNTY will negotiate in good faith to amend the Agreement to replace the null and void provision with a valid provision that accomplishes, to the extent legal, the intent of the parties.

16. FURTHER ASSURANCES: Each party will execute any additional documents and perform any further acts which may be reasonably required to effect the purposes of this Agreement.

17. DISPUTE RESOLUTION: If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties; otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, either party may pursue litigation to resolve the dispute.

//

//

//

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

Dated: 2/21/08

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MARIN

By: Verna Adams
Verna Adams, Presiding Judge

Approved as to Form:

By: Constance M. Hlatt
Constance M. Hlatt
Attorney for Marin Superior Court

Dated: 2-14-08

COUNTY OF MARIN

By: Charles McGlashan
Charles McGlashan
President, Board of Supervisors

ATTEST:

County Administrative Officer/Clerk of the Board
of Supervisors of the County of Marin

By: Miriam DeMartino
Deputy Clerk

Approved as to Form
County Counsel

By: Patrick K. Faulkner
Patrick K. Faulkner, County Counsel



MARIN COUNTY SHERIFF'S OFFICE

3501 Civic Center Drive, Room 145, San Rafael, CA 94903

ROBERT T. DOYLE
Sheriff - Coroner
MICHAEL J. RIDGWAY
Undersheriff

October 22, 2013

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903



SUBJECT: FISCAL YEAR 2013-2014 MEMORANDUM OF UNDERSTANDING – COURT SECURITY SERVICES THE SUPERIOR COURT OF CALIFORNIA, THE COUNTY OF MARIN, AND THE MARIN COUNTY SHERIFF-CORONER

RECOMMENDATION:

1. Execute Fiscal Year 2013-2014 Memorandum of Understanding for Court Security Services.
2. Approve Court Security Services as outlined in ATTACHMENT 1 of MOU: Includes security personnel of (2) Sheriff's Sergeants, (16) Sheriff's Deputies, and (1) Sheriff's Service Assistant and,

Funding Standards as outlined in ATTACHMENT 2 of MOU: Costs for professional support staff for security operations are capped at 1.5 percent of court's security budget.

SUMMARY:

Pursuant to Government Code Section 69926(b), the County of Marin through the Sheriff-Coroner must enter into an agreement to provide court security services to the Superior Court of California-County of Marin. The Sheriff and Court negotiated but did not reach agreement on a memorandum of understanding for court security services in 2007.

The Sheriff, Court, the County of Marin, and the Administrative Office of the Courts entered into a Mutual Settlement Agreement effective as of June 2, 2010 (Mutual Settlement), settling certain disputes and releasing parties from liabilities regarding the inability of the named parties to enter into a memorandum of

AREA CODE 415

24-HOUR NUMBER
473-7233

FAX
473-4126

ADMINISTRATION
473-7250

CIVIL
473-7282

COMMUNICATION SERVICES
473-7243

CORONER
473-6043

COURTS
473-7393

EMERGENCY SERVICES
473-6584

INVESTIGATIONS
473-7265

JAIL
473-6655

MAJOR CRIMES TASK FORCE
884-4878

PATROL
473-7233

RECORDS
473-7284

WARRANTS
473-7297

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**MEMORANDUM OF UNDERSTANDING-
COURT SECURITY SERVICES**

**THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF MARIN, THE
COUNTY OF MARIN, AND THE MARIN COUNTY SHERIFF-CORONER**

This Memorandum of Understanding (MOU) is dated as of this 22nd, day of October, 2013 among the Superior Court of California, County of Marin (Court), the County of Marin (County), and the Marin County Sheriff-Coroner (Sheriff). The Court is considered to be one party and the County and the Sheriff are considered to be one party.

WHEREAS, County, Sheriff, and Court previously entered into a Memorandum of Understanding dated July 1, 2003 (2003 MOU), under which County, through the Sheriff, has provided security services to Court;

WHEREAS, the presence of law enforcement personnel in courthouses and provision of trial Court security services are essential for the safety and security of all courthouse occupants;

WHEREAS, Sheriff and Court negotiated but did not reach agreement on a memorandum of understanding for court security services in 2007;

WHEREAS, Sheriff, Court, the County of Marin, and the Administrative Office of the Courts (AOC) entered into a Mutual Settlement Agreement and Release effective as of June 2, 2010 (Mutual Settlement), settling certain disputes and releasing parties from liabilities regarding the inability of the named parties to enter into a memorandum of understanding for court security services during the fiscal years 2008-2009 and 2009-2010, and associated compensation issues;

WHEREAS, Court has retained a private security firm, Universal Protection Services, to perform perimeter screening services at the Civic Center and at the Juvenile Court;

WHEREAS, following transfer of court security funding to the Sheriff in fiscal year 2010/11, Court has terminated the agreement with Universal Protection Services for perimeter screening services. As of July 1, 2012 the Sheriff contracts with Universal Protection Services for perimeter screening services;

WHEREAS, County, Sheriff, and Court previously entered into a Memorandum of Understanding dated June 7, 2011, retroactive to July 1, 2010, under which County, through the Sheriff, has provided security services to Court;

WHEREAS, County, Sheriff, and Court previously entered into a Memorandum of Understanding dated July 10, 2012, retroactive to July 1, 2012, under which County, through the Sheriff, has provided security services to Court;

WHEREAS, the parties desire for the Sheriff to continue to perform trial court security services as specified in this MOU;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the parties hereto agree as follows:

1. TERM OF AGREEMENT

- i. Term/Option to Extend. This MOU is effective from July 1, 2013 (Effective Date), and will continue in force and effect through June 30, 2016; provided, however, that the term of this MOU may be extended for additional one year terms by mutual agreement of the parties in accordance with the terms of this MOU.
- ii. Termination. In the event either party desires to terminate this MOU prior to the end of its term, that party shall provide written notice to the other party at least six months prior to the proposed date of termination. This MOU may only be terminated at the end of a County fiscal year.

2. PURPOSE AND INTENT

- i. This MOU satisfies the requirement of a memorandum of understanding between the Court and the Sheriff for the provision of court security under Government Code section 69926(b), shall be considered as part of the Law Enforcement Security Plan, and is also part of the comprehensive, countywide Court Security Plan developed by the Court and the Sheriff, pursuant to the provisions of Government Code §§ 69921, 69925, and rule 10.172 of the California Rules of Court.
- ii. This MOU supersedes and replaces all prior memoranda of understanding between the parties regarding court security services, including the 2003 MOU, the document negotiated during 2007, except the Mutual Settlement, the 2010 MOU, and the 2012 MOU.

3. APPLICABLE LAW/STATUTORY REQUIREMENTS

- i. Applicable Law. For the purposes of this MOU the following law, guidelines, standards, and templates that govern specifically the provision of trial court security services are collectively defined herein as "Applicable Law":
 - a. The Law Enforcement Act;
 - b. Penal Code sections 830.1 and 830.36 (regarding the definition and authority of bailiffs and other "peace officers");
 - c. The California Rules of Court, rules 10.170 – 10.173;
 - d. Procedure no. FIN 14.01 ("FIN 14.01") of the Trial Court Financial Policies and Procedures Manual ("TCFPPM"), adopted by the Administrative Office of the Courts ("AOC");

e. The mandatory Court Funding Standards, as amended (“Funding Standards”), as adopted by the Judicial Council of California (“Council”) in August 2006, and attached to this MOU as Attachment 2.

ii. Law Enforcement Act Requirements. The Law Enforcement Act specifically provides as follows:

a. Sheriff must attend proceedings as required by law or as determined by a presiding judge or designee to be necessary for public safety. The Sheriff’s duties include performing the superior court law enforcement functions set forth in Government Code section 69921(e).

b. Court’s presiding judge has authority to contract with Sheriff to provide trial court security services. The contract must be documented by Court and Sheriff in an annual or multi-year memorandum of understanding that specifies the level of trial court security services to be performed by Sheriff.

c. Court’s presiding judge and Sheriff must cooperatively develop a comprehensive, annual or multiyear court security plan that addresses, at minimum, all subject areas specified in rule 10.172(b) of the California Rules of Court. For assistance in preparing a court security plan, the presiding judge and Sheriff may refer to the Court Security Plan Guidelines, dated January 30, 2009, adopted upon recommendation of the Working Group on Court Security (“Security Working Group”) and available to Court on the Serranus website.

d. On or before February 1, 2014, and on or before February 1 of each succeeding year, Court must report to the AOC whether it has made any changes to its court security plan and, if so, identify each change and submit a copy of the then-current court security plan to the AOC. (See rule 10.172(d).)

e. At least once every two years, beginning on or before January 1, 2014, Court’s presiding judge and Sheriff must conduct a Security Assessment. (See Rule 10.172(c).) The presiding judge and Sheriff must then prepare on or before February 1 following the assessment a report summarizing the Security Assessment. (See rule 10.172(c)—(d).)

f. Whenever Court submits a court security plan to the AOC, Court must also include a copy of the then-current Assessment Report. (See rule 10.172(d).)

4. SCOPE OF SERVICE

i. Court Security Services/Court Security Division. County, through Sheriff, shall provide the superior court law enforcement functions set forth in Government Code section 69921(e)(Court Security Services) to Court under the terms and conditions set forth in this MOU. Sheriff will maintain a Court Security Division which will be responsible for performance of County’s obligations under this MOU. Court Security

Services include "Basic Services" and "Additional Services," each of which are further described below and in the Court Security Plan.

ii. Designated Coordinators. Sheriff shall designate/the Detention Services Bureau Commander as the coordinator for Sheriff under this MOU. Court designates its Executive Officer as the coordinator for Court under this MOU. Sheriff or Court may cancel the above designations and designate a different coordinator by notice to the other party. The designated coordinators for each party shall implement, as needed, appropriate procedures governing the performance of all requirements under this MOU. They shall be responsible for conferring in good faith in order to address any disputes which may arise concerning implementation of this MOU.

iii. Basic Services. Sheriff will provide basic security services ("Basic Services") to Court in the facilities specified in sufficient numbers of personnel with the requisite experience, knowledge, and skills necessary for the Sheriff to provide an appropriate level of Court Security Services within parameters specified in the Funding Standards. Basic Services will include authorized equipment and supplies. During each year of this MOU, Sheriff and County agree to conduct a needs assessment to determine the staffing needs for Court Security Services and public safety protection for the succeeding fiscal year. Court, Sheriff and County shall meet and discuss the results of the assessment and staffing requirements.

iv. Staffing Plan. The amount of personnel required for Basic Services for fiscal year 2013-2014 (Court Security Division Allotment) together with the tasks assigned to Basic Services will be specified in the staffing plan (Staffing Plan) attached hereto as Attachment 1 and incorporated herein by reference. The Staffing Plan for each subsequent fiscal year of this MOU, as agreed by the parties, will be incorporated into this MOU and will supersede the previous Attachment 1.

v. Additional Services. Subject to the availability of staff, Sheriff may provide supplemental or special non-emergency Court Security Services or additional related equipment and supplies deemed by Court to be included in Court Operations ("Additional Services"). All such services that are beyond the scope of the Basic Level Services provided under the applicable Annual Budget and Staffing Plan shall be considered "Additional Services"; provided that occasional overtime hours to be performed by Court Security Division staff while any courtroom is in session are not considered Additional Services.

a. Types of Additional Services. Sheriff and Court acknowledge that it is impractical to specify in this MOU each category of Additional Services that may be provided by Sheriff under this provision, and shall cooperate with each other in identifying and addressing such potential Additional Services.

b. Procedure for Additional Services at Court's Request. The Presiding Judge, his or her designee(s), or the Court's Executive Officer shall submit a written request for Additional Services to the Sheriff's Designated Coordinator.

Court will provide as much advance notice as possible regarding requests for Additional Services, ideally at least 48 hours in advance from the time the services are required.

c. Procedure for Additional Services Provided at the Sheriff's Behest. Should the Sheriff determine that Court faces a need for increased security beyond the Basic Level of Services provided under the applicable Annual Budget and Staffing Plan; the Sheriff shall provide such Additional Services which shall be compensated under the terms of this MOU. The Sheriff's Designated Coordinator will notify the Court Executive Officer of the determination in writing. The Sheriff shall provide Additional Services under this provision at the Sheriff's sole discretion.

d. Agreement on Scope/Costs. Sheriff shall advise Court promptly, and shall confirm in writing, if time permits, of Sheriff's ability or inability to provide some or all of any Additional Services requested by Court, and the estimated costs of all Additional Services to be provided, based upon the most effective manner of providing such services.

5. STANDARDS OF SERVICE; OBLIGATIONS OF THE PARTIES

i. Sheriff's Discretion. The management, direction, and supervision of Court Security Services and public safety protection; the standards of performance; the discipline of Court security personnel and all other matters incident to the performance of such services shall be performed by and be the responsibility of Sheriff. Sheriff shall be the appointing authority for all personnel providing Court Security Services to Court by this MOU.

ii. Assignment of Personnel. Sheriff is responsible for ensuring that a sufficient number of personnel are available each day to reasonably and adequately perform all duties described in this MOU, and that staffing levels in Attachment 1 are maintained.

iii. Day-to-Day Supervision. Sheriff shall designate supervisors who will be responsible for the day-to-day performance of all personnel providing Court Security Services. In addition, Sheriff will direct and oversee the screening operations performed by Universal Protection Services. Court shall have an opportunity to provide input, and may request reassignment of Sheriff's Department personnel from a particular courtroom, station, or other location, and Sheriff will consider such request; however, Sheriff shall have complete discretion as to the assignment of Court Security Services personnel under this MOU.

iv. Briefings. Sheriff will brief Court's Executive Officer in a timely manner of all crime incidents, no later than one business day following the occurrence, and will provide Court's Executive Officer with a monthly log of items confiscated at perimeter screening stations.

v. Qualifications and Training:

a. With the exception of one nonsworn clerical staff (SSA classification), Sheriff will provide Court Security Services under this MOU using only properly trained peace officers employed by the Sheriff in good standing and on active duty, and of a rank of deputy Sheriff or above. Sheriff personnel providing Court Security Services must have the training, experience and qualifications required to perform the services assigned to them.

b. All Sheriff personnel performing Court Security Services must participate in sexual harassment training per the County of Marin Personnel Management Regulations at County or Sheriff's full cost.

vi. Equipment and Supplies:

a. All Sheriff's sworn personnel performing Court Security Services under this MOU shall wear the prescribed uniform and equipment of the Sheriff's Office, except as directed by the Court Security Division supervisor.

b. The maintenance of the following Court owned screening equipment in place as of the Effective Date of this MOU is the Court's responsibility.

Type	Make/Model	S/N	Location
Magnetometer	Metorex M-200	28035	Civic Center
Magnetometer	Metorex M-200	28036	Civic Center
X-Ray	Astrophysics XIS-6545	ASTED160SS289	Civic Center
X-Ray	Astrophysics XIS-6545	ASTIB160SS1030	Civic Center
Magnetometer	Ceia PMD2 Plus	21106025062	Juvenile Hall

6. SCHEDULING; COORDINATION OF SERVICES

i. Scheduling. Sheriff will schedule paid leave time for personnel providing Court Security Services so as to minimize the adverse impact to Court of staff absences in the performance of Court Security Services. In no event shall any rotation of staff assignments to perform services under this MOU result in any cost or expense to Court or adversely affect provision of Court Security Services. The parties agree to manage their resources to mitigate costs while ensuring adequate Court Security Services.

ii. Court Security Division Planned Absences. Sheriff's Designated Coordinator will brief Court by Monday of each week of planned absences of Court Security Division personnel scheduled for the following week (Planned Outages). Sheriff will replace absent staff by deploying personnel within the Court Security Division to the extent possible to provide Court Security Services.

iii. WAG Schedule. Court publishes a "week at a glance" calendar (WAG) that indicates courtrooms in which the judicial officer normally assigned is absent. Unless

Court has advised Sheriff that another judicial officer is assigned to that courtroom, or has requested the presence of Sheriff's personnel in said courtroom, the courtroom will be deemed a "Dark Courtroom."

iv. Temporary Reassignments: Sheriff will match Dark Courtrooms with Planned Outages and arrange available Court Security Division personnel to active courtrooms to the fullest extent possible. If in any week there are more Dark Courtrooms than Planned Outages, Sheriff will temporarily reassign Court Security Services personnel from Dark Courtrooms to other assignments within the Staffing Plan or as authorized by the Presiding Judge.

7. DISPUTE RESOLUTION

In the event of any dispute arising from or relating to this MOU, the parties hereto shall use their best efforts to settle the dispute. In the event that no agreement is reached, the dispute shall be referred to the Sheriff and the Presiding Judge to meet and confer to resolve the issues in good faith. As new dispute resolution procedures related to court security are enacted in law, Court, County and Sheriff agree to comply with these procedures.

8. INDEMNIFICATION AND INSURANCE

i. Indemnification. In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, to the maximum extent permitted by law, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead the County and Court agree that each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this MOU. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority of jurisdiction delegated to such other parties under this MOU.

ii. Insurance. County, Sheriff, and Court shall each maintain their own liability insurance coverage, through County's self-insurance program or otherwise, against any claim of civil liability arising out of the performance of this MOU, and provide appropriate evidence of such coverage to the other party upon request.

9. GENERAL PROVISIONS

i. Independent Contractor Status. In the performance of services under this MOU, County, Sheriff, and their respective officers, agents and/or employees shall be deemed independent contractors and not officers, agents or employees of Court. All such personnel provided by County or Sheriff under this MOU are under the direct and exclusive supervision, daily direction, and control of County and Sheriff, and County and Sheriff assume full responsibility for the actions of such personnel in the performance of services hereunder. County will be solely responsible for satisfying all legal obligations relating to the payment of its employees, including compliance with applicable social security requirements, withholding employee benefits, and all related applicable regulations. County employees, personnel and agents providing services under this MOU are not covered by any employee benefit plans provided to the Court's employees.

ii. Notices. Any notices required or permitted hereunder shall be in writing and may be personally delivered or given as of the date of mailing by depositing such notice in the United States mail, first-class postage prepaid and addressed as follows; or to such other place as each party may designate by subsequent written notice to each other:

To COURT:

Court Executive Officer	AND	Presiding Judge
Marin County Superior Court		Marin County Superior Court
3501 Civic Center Drive		3501 Civic Center Drive
San Rafael, CA 94903		San Rafael, CA 94903

To COUNTY:

Clerk of the Board of Supervisors	AND	Sheriff
County of Marin		County of Marin
3501 Civic Center Drive		3501 Civic Center Drive
San Rafael, CA 94903		San Rafael, CA 94903

A notice shall be effective on the date of personal delivery if personally delivered before 4:00 p.m. on a business day or otherwise on the first business day following personal delivery; or two (2) business days following the date the notice is postmarked, if mailed; or on the first business day following delivery to the applicable overnight courier, if sent by overnight courier for next business day delivery and otherwise when actually received.

iii. Time of the Essence. Time is of the essence in this MOU. Unless specifically stated to the contrary, all references to days herein shall be deemed to refer to calendar days. If the final date for payment of any amount or performance of any act hereunder falls on a Saturday, Sunday or holiday, such payment may be made or act performed on the next succeeding business day.

iv. Audit and inspection of records. Each party shall permit the other parties and their designees to copy, review, and audit the books and records relating to its obligations under this MOU, and to make excerpts and transcripts from them, as reasonably requested. The parties will maintain the books and records relating to their respective obligations under this MOU for a period of five years following final payment by Court under this MOU.

v. Amendment: Assignment. This MOU may be modified or amended only by a written document executed by all parties. No party shall assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other parties.

vi. Entire Agreement. This MOU, including all Attachments hereto, constitutes the complete and exclusive statement of agreement between the parties with respect to the subject matter hereof. As such, all prior written and oral understandings are superseded by this MOU.

vii. Construction. This MOU shall be construed as if prepared by all parties, and shall be construed, interpreted and governed by the laws of the State of California. The headings and captions in this MOU are for convenience and ease of reference only and shall not be used to construe, interpret, expand, or limit the terms of the MOU.

viii. Waiver. A waiver by any party of a breach of any of the covenants to be performed by any other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions, or conditions of this Agreement.

ix. Authority to Enter Agreement. County, Sheriff, and Court each has all requisite power and authority to conduct its respective business and to execute, deliver, and perform the MOU. Each party warrants that the individuals who have signed this MOU have the legal power, right, and authority to make this MOU and to bind each respective party.

x. Cooperation and Further Assurances. County, Sheriff, and Court will cooperate in good faith to implement this MOU, and will execute any further agreements and perform any additional acts that may be reasonably necessary to carry out the purposes and intent of this MOU and of the Law Enforcement Act.

xi. Counterparts. This MOU may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

xii. Severability. If any provision of this MOU is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this MOU.

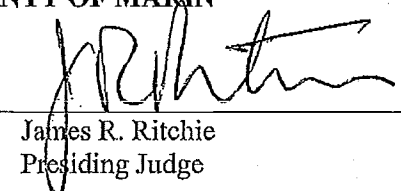
Legislative Changes. If any changes are made to the Law Enforcement Act, Rules of Court adopted pursuant thereto, or other Applicable Law, or if the State imposes any

limitations applicable to this MOU and the services to be provided hereunder (each, a "Legislative Change"), then (1) to the extent any Legislative Change is of mandatory application, such change shall apply to the parties and this MOU, and this MOU shall be deemed to be amended to be consistent with such change except to the extent that such change alters a material provision of this MOU in which case such material provision shall be avoidable and the parties will negotiate in good faith to amend the MOU as necessary, and (2) to the extent any Legislative Change is not of mandatory application, such changes shall not affect this MOU or the right or obligations of the parties unless the parties mutually agree to subject themselves to such change.


IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date written above.

**THE SUPERIOR COURT
OF CALIFORNIA,
COUNTY OF MARIN**

By: _____

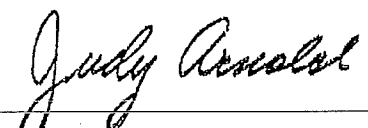

James R. Ritchie
Presiding Judge

By: _____


Kim Turner
Court Executive Officer

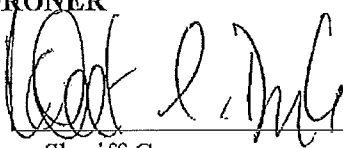
COUNTY OF MARIN

By: _____


Judy Arnold
President, Board of Supervisors

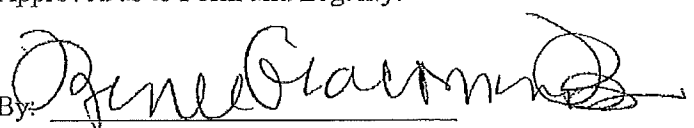
**MARIN COUNTY SHERIFF-
CORONER**

By: _____


Sheriff-Coroner

Approved as to Form and Legality:

By: _____


County Counsel

ATTACHMENTS TO THIS AGREEMENT:

Attachment 1 – 2010-2011 Staffing Plan

Attachment 2 – Funding Standards

ATTACHMENT 1

2013-2014 STAFFING PLAN
Basic Level Security Services

- A. "Court Facilities" refers to the following facilities and Courtrooms:
- Marin County Hall of Justice –
 - Courtrooms in Departments A, B, C, D, E, F, G, H, J, K, L, M, N, O, P;
 - the Clerk's Offices in Room C-10, 113,
 - Court Administration and Family Court Services in Room 116,
 - Legal Self Help Services in Room C-27,
 - Jury Services in Room 244.
 - Courtroom on the Juvenile Services campus in Lucas Valley, unless decommissioned by the Court.
- B. For Fiscal Year 2013-2014, Basic Level Service staffing shall include the following Full Time Equivalent (FTE) hours for each job classification (the Court Security Division Allotment):

Sheriff's Sergeants providing direct supervision – 2

Sheriff's Deputies – 16

Sheriff's Service Assistants – 1

- C. Basic Services include the following tasks:
- Managing and supervising the day-to-day performance of all Sheriff personnel assigned to Court Security Services;
 - Serving as bailiffs, who shall maintain security and order in the Courtrooms listed in this Staffing Plan. Bailiffs shall be aware of all activity and will act to ensure safety and order in concert with the desire of the Judge and established procedures of the Sheriff's Office. Bailiffs will also accept at the Bailiff Station time-sensitive paperwork related to restraining orders for review by judicial officers;
 - Overseeing perimeter screening of the public and other Court users and staff on the Court Floor and at the Juvenile Court (including oversight of security contractor, Universal Protection Services);
 - Patrolling the interior of Court Facilities; control room monitoring of Court Facilities as deemed appropriate by Sheriff; upon request, incident response in the Clerk's Offices, Court Administration, Family Court Services, Legal Self Help Services, and Jury Services;

- Providing security and protection to judicial officers, court staff, and jurors within Court Facilities, including identifying potential threats to court personnel or Court Facilities, researching security needs and issues relating to high profile trials; responding to incidents in all Court Facilities, responding to threats to court or judicial officer security; completing mandatory State reporting requirements concerning threats to judges; and providing judicial security when needed in any court location.
- Securing holding cells within Court Facilities;
- Securing movement of persons in custody within Court Facilities, including remands, ensuring persons in custody arrive in court on time and in a secure manner;
- Maintaining security-related equipment (including without limitation restraint devices such as waist chain sets, leg irons and stun belt devices).

ATTACHMENT 2

FUNDING STANDARDS

The Council approved the following standards, effective August 25, 2006.

1. The costs for professional support staff for security operations are capped at 1.5 percent of a court's security base budget.
2. The following standards apply for security supplies and equipment:

	Cost	Life/Years	Annual
Ammunition (300 rounds/year)	50	1	\$ 50
Baton/Nightstick	43	10	4
Bulletproof Vest	589	5	118
Handcuffs	38	10	4
Holster	85	6	14
Leather Gear	145	5	29
Chemical Spray	37	2	19
One Primary Duty Sidearm	678	10	68
Taser Gun ¹	[800]	5	[160]
Uniform Allowance	850	1	850
Total Annual Cost per FTE			\$ 1,155²

3. The mileage rate for court security transportation, exclusive of prisoner or detainee transport to or from court, is the rate authorized by the State Department of Personnel Administration as the vehicle use standard as it may change from time to time.
4. The standard supervision/management security funding standard of 1 supervisor/manager per 12 nonsupervisory employees is adjusted to provide the following where the ratio is less than 1.0:
 - o If a court pays supervision/management costs, the actual ratio should be used;
 - o If a court does not pay for supervision/management services, but the ratio is 0.25 to 0.99, the actual ratio should be used; or
 - o If the ratio is between 0.01 and 0.24 and the court does not pay supervision/ management costs, no funding should be provided.

¹ The standard for taser guns is subject to receipt in the future of SB 1396 funding for that cost.

² This total excludes any allowance for the cost of taser guns.

Annual Amt of C/A Red per MOE = \$83,772



California State Association of Counties
1100 K Street • Suite 101
Sacramento, CA • 95814
916/327-7500



Judicial Council of California
Administrative Office of the Courts • Finance Division
455 Golden Gate Avenue
San Francisco, CA • 94102
415/865-7945

DATE: December 22, 2005

TO: County Administrative Officers
County Auditor-Controllers
Executive Officers of the Superior Courts

FROM: Rubin R. Lopez and Elizabeth Howard, Administration of Justice Staff
California State Association of Counties

Christine M. Hansen, Director and Chief Financial Officer
Administrative Office of the Courts

SUBJECT: Determination of MOE Reduction Pursuant to Government Code (GC) Section 68085.7(b) – **County of Merced**

This memo provides notice of the determination by the Administrative Office of the Courts (AOC) and the California State Association of Counties (CSAC), pursuant to GC 68085.7(d), of the amount of fine and forfeiture revenue maintenance of effort (MOE) reduction your county will receive under the undesignated fees resolution contained in Assembly Bill 139¹ (AB 139).

Background

The AOC and CSAC have implemented some of the key provisions of the legislation, as follows:

- On August 25, 2005, the AOC and CSAC advised all California courts and counties to report to the AOC and CSAC on or before August 31, 2005 the actual gross civil assessments collected, the actual costs deducted from these, and net civil assessments retained for fiscal year (FY) 2003-2004. (See GC 68085.7(c).) A template was provided for this purpose, and the courts and counties certified the amount of civil assessment revenue collected pursuant to Penal Code section 1214.1 in FY 2003-2004. If a court and the county did not agree, each reported separately the amount it believed to be correct. In the intervening months, the AOC and CSAC have reviewed the certified templates in order to determine the amount of the MOE reduction, if any, each county will receive pursuant to AB 139.
- The AOC and CSAC have also considered other information we received, and we responded to courts and counties that requested an adjustment.

¹ Stats. 2005, ch. 74

December 22, 2005

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- Finally, the AOC and CSAC completed an initial review, pursuant to GC 68085.8, of the impact on individual counties and courts of changes in revenue and payment obligations.

MOE Reduction

As stated above, the AOC and CSAC have arrived at a joint decision regarding the reduction under GC 68085.7(b), in the MOE payment for your county. The MOE reduction amount shown below for your county reflects any adjustments that were made in connection with our review of certified templates and other information we received.

The amount and basis of the reduction, if any, for the **County of Merced** is:

\$ 83,772 – *As certified by the county and court. Requested assurance of revenues for bond.*

\$6,981 per month going forward. Computed with Steven Chung 1/16/09

Please note:

- Your county's contribution, if any, toward the amounts specified in GC 68085.6(a) — counties' obligation through fiscal year 2008-09 to make payments to the Trial Court Trust Fund — will be provided in a subsequent communication.
- Counties that did not receive civil assessment revenue in the FY 2003-2004 base year will not see an MOE reduction, nor will they be required to make a contribution toward the stepped-down payments specified in GC 68085.6.
- MOE reductions, when finalized, will be effectuated administratively in conjunction with the State Controller's Office as part of the last two MOE payments in FY 2005-2006. IN ADDITION, the reduction for FY 2005-2006 will apply only if your county transmits to the Trial Court Trust Fund, starting on July 1, 2005, any money received in compliance with the provisions of GC 68085.7(b).
- We will seek legislation that memorializes MOE reductions in GC 77201(b)(2), or another appropriate provision.
- In the meantime, counties remain bound by the MOE payment as defined in current statute (GC 77201(b)(2)) until the amounts are, as part of the multi-step implementation process of AB 139, formally amended in statute.

Next Steps

Review and Comment Period; Equitable Adjustments

As required by the provisions of AB 139, CSAC and the AOC have fulfilled the statutory responsibility to review each county's civil assessment revenue level for FY 2003-2004 and made the determination of the associated MOE reduction. We also are providing courts and counties an opportunity to review the proposed MOE reduction and provide, if desired — **on or before Tuesday, January 17, 2006** — any application for an equitable adjustment based on GC 68085.8 and any supplemental information they would like considered. Applications received after January 17 will not be considered.

December 22, 2005

Page 3

AB 233 Fees

Regarding the buyout of the county portion of fees under GC 68085.2 (AB 233 fees) as contained in AB 145 (Stats. 2005, ch. 75), the AOC and CSAC still need to arrive at a joint decision regarding the further reduction in the MOE for your county. A subsequent communication will provide you with the additional buyout amount to take effect this fiscal year as well.

Questions and Concerns

As the process of implementing AB 139 and adjusting the MOE moves forward, the AOC and CSAC will continue to provide support and assistance as necessary as we continue working to resolve any issues that remain.

Again, if you have any questions or concerns about the MOE reduction or require assistance, please contact one of the following individuals below by January 17, 2006.

Administrative Office of the Courts

Ruben Gomez
415-865-7686
ruben.gomez@jud.ca.gov

California State Association of Counties

Rubin Lopez	Elizabeth Howard
916-327-7500, Ext. 513	916-327-7500, Ext. 537
rlopez@counties.org	ehoward@counties.org

- cc: James Keene, Executive Director, California State Association of Counties
Presiding Judges of the Superior Courts
Fiscal Contacts of the Superior Courts
Kathleen Howard, Director, Office of Governmental Affairs, AOC
Eraina Ortega, Manager, Office of Governmental Affairs, AOC
Stephen Nash, Asst. Director of Finance, Office of Budget Management, AOC
John Judnick, Manager, Internal Audit Services, AOC
Ruben Gomez, Manager, Fiscal Administration and Technical Support Services, AOC
Steven Chang, Supervisor; Budget, Data and Technical Support Unit; AOC
Michael Fischer, Attorney, Office of the General Counsel, AOC
Brad Heinz, Attorney, Office of the General Counsel, AOC
Janet Grove, Attorney, Office of the General Counsel, AOC
Patrick O'Donnell, Attorney, Office of the General Counsel, AOC

Certification of FY 2003-04 Civil Assessment Revenue, Offset, and Distribution

1.	Merced	
2.	FY 2003-04 gross collections of civil assessment by court and county (PC 1214.1)	1,201,521.65
3.	Cost offset of FY 2003-04 civil assessment gross revenue	
a.	Actual private collections agency fee from civil assessment revenue	444,398.78
b.	Actual Franchise Tax Board fee from civil assessment revenue	-
c.	Actual court collections program offsets/costs taken:	
1.	Actual costs/offsets	-
2.	Incurred costs after remittance	-
d.	Actual county collections program offsets/costs taken:	
1.	Actual costs/offsets	68,944.67
2.	Incurred costs after remittance	-
e.	Other actual costs	-
4.	Total actual offsets/costs	513,343.45
5.	FY 2003-04 net collections of civil assessment by court and county (gross less total actual offsets)	688,178.20
6.	Actual court share of net collections	604,405.83
7.	Actual county share of net collections	83,772.37
8.	Are both the court and county certifying the above amounts?	Joint Certification

Post-It® Fax Note	7671	Date	2/12/05	# of pages	1
To	Steven Chiang	From	Devin Bennett		
Co./Dept.		Co.	MERCED		
Phone #		Phone #			
Fax #	415-865-4331	Fax #			

725 8900

In compliance with GC 68085.7, I certify that the amounts above accurately represent the collections, offsets, and revenue sharing of FY 2003-04 civil assessment revenue. I also certify to the FY 2003-04 fee, fee methodology, and use of civil assessment revenue data provided in the certification template.

John D. Kiritara
 Signature of Presiding Judge
 Merced

Superior Court of
 John Kiritara - Asst. Presiding Judge
 Printed Name
 12/13/05
 Date

M. Stephen Jones
 Signature of County
 AUDITOR-CONTROLLER

County of
 MERCED
 Printed Name
 M. STEPHEN JONES
 Date
 December 9, 2005

Memorandum of Understanding
Construction of Merced Court Facility

**MEMORANDUM OF UNDERSTANDING
REGARDING CONSTRUCTION OF MERCED COURT FACILITY**

THIS MEMORANDUM OF UNDERSTANDING REGARDING THE CONSTRUCTION OF MERCED COURT FACILITY ("MOU") is made and entered into on this 5th day of April, 2005 ("Effective Date"), by and between the County of Merced, a political division of the State of California ("County"), the Judicial Council of California, an entity established by the Constitution of the State of California, validly existing under the laws of the State, acting by and through the Administrative Office of the Courts ("AOC"), the staff agency to the Judicial Council, and the Superior Court of California, County of Merced ("Court").

BACKGROUND TO AND PURPOSE OF MOU.

A. The County has designed, and desires to construct and complete a new court facility (the "Court Facility") for the Court located at 2260 "N" Street, Merced, California 95340 as legally described in Exhibit "A", attached hereto and incorporated herein (the "Land"). The County desires to fund in part, the design, development, construction, and all other elements associated with the completion of the Court Facility (collectively, the "Court Project") by encumbering and expending funds from its local Courthouse Construction Fund, established pursuant to Government Code Section 76100 ("CCF"), pursuant to the written approval from the Administrative Director of the Court, attached hereto as Exhibit "B" and incorporated herein by this reference, and from deposits made by the Court of Civil Assessments collected pursuant to Government Code Section 76223 ("Civil Assessments"), as provided in the Trial Court Facilities Agreement between the County and Court dated December 23, 2003, attached hereto as Exhibit "C" and incorporated herein by this reference. In addition, the County desires to fund the Court Project in part as a Capital Project from the State Court Facilities Construction Fund ("Capital Funds"), pending approval of the appropriation in the State of California, Fiscal Year 2005-06 Budget Act. AOC desires to fund the Court Project in part from Capital Funds in order to relocate the Merced County Family Court into a secured court facility.

B. Once the Court Project is complete, the AOC will accept the transfer and assume responsibility for the Court Facility, subject to all applicable provisions of the Trial Court Facilities Act of 2002 ("the Act") and the terms and conditions of a Transfer Agreement for the Court Facility which the parties shall negotiate and enter into separate and apart from this MOU. Without relieving or burdening the County as the entity solely and exclusively responsible for all aspects of the Court Project, which includes without limitation administration by County personnel, testing contracts, architectural work, assistance during construction, and construction management, the parties to this MOU seek to memorialize their various responsibilities and obligations to ensure that the expenditures for the Court Project be consistent with any conditions placed on the CCF or Capital Funds and that the Court Project be constructed in accordance with such design, plans, specifications, and other documents which have been reviewed and mutually approved or consented to by the County, AOC, and Court, as delineated in this MOU.

MERCED COUNTY CONTRACT NO. 2005064

1

C. It is the intent of the parties to this MOU to work together cooperatively and in good faith as partners in this Court Project according to each party's respective responsibilities and obligations.

THEREFORE, the County, AOC, and Court hereby agree as follows:

1. The foregoing provisions of the Background to and Purpose of MOU are true and correct and are incorporated into this MOU by this reference.

2. County Responsibilities and Obligations

A. Funding and Financing

2.1 The County shall be solely responsible for all costs related to and associated with the Court Project, including, but not limited to, payment of all bonded indebtedness or any form of financing incurred by County for this Court Project. The parties acknowledge that the completed Court Project will be used exclusively as a court facility. The parties acknowledge that the amount of the Total Court Project Cost will vary depending on whether or not the Capital Funds are appropriated for this Court Project, as referenced in 2.1.1 and 2.1.2. The parties recognize that as of the Effective Date, the Total Court Project Cost is a preliminary estimate based on the good faith judgment and past experience of the County, and the actual cost for completing the Court Project may be greater or less than the Total Court Project Cost for various reasons, including, but not limited to, a more-precise definition of the scope of work required for the Court Project, changing market conditions, change orders, and the general competitiveness of the bidding process for the Court Project. In the event that the actual cost of the Court Project exceeds the Total Court Project Cost herein, the County shall be responsible for all costs to complete the Court Project, subject to Section 2.1.1 and Section 2.11 herein. Neither the Court nor the AOC shall be responsible for any costs of the Court Project, including any shortage between the actual Court Project Cost and the available funds that may result from the failure of the State to appropriate Capital Funds, except as provided in Section 2.11 herein.

2.1.1 If the Capital Funds are appropriated for this Court Project, the Total Court Project Cost with Capital Funds will be \$19,740,000, which amount is itemized in Exhibit "D-1" attached hereto and incorporated herein by this reference. In that event, the Court Project will consist of six (6) finished court rooms and shelled out space for one (1) additional court room. The Court Facility is described as "Approved Construction Documents with Capital Funds dated November 2, 2004."

In the event that Capital Funds are insufficient to buy back all of the value engineered items and/or bid alternates as itemized in Exhibit "D-1", then the AOC, in consultation with the Court, will have exclusive authority to select which value engineered items or bid alternates will be included in the Court Project.

The parties will work cooperatively and expeditiously to effect transfer of responsibility for those court facilities that are relocated to the Court Facility pursuant to SB 1732 prior to the occupancy of the completed Court Facility.

2.1.2 If the Capital Funds are not appropriated for this Court Project, the Total Court Project Cost will be \$16,701,000, which amount is itemized in Exhibit "D-2" attached hereto and incorporated herein by this reference. In that event, the Court Project will consist of four (4) finished court rooms and shelled out space for three (3) additional court rooms, shelled out space for the holding cells, and shelled out space for the security tunnel under the building. The Court Facility is described as "Approved Construction Documents without Capital Funds as indicated by Change Order #1, dated April 6, 2005."

The parties will work cooperatively and expeditiously to effect transfer of responsibility for those court facilities that are relocated to the Court Facility pursuant to SB 1732 prior to the occupancy of the completed Court Facility.

2.2 County has prepared complete and accurate funding plans and accountings for the Court Project both with Capital Funds and without Capital Funds, attached hereto as Exhibits "E-1" and "E-2" and incorporated herein. County intends to complete the Court Project pursuant to one of the two funding plans, and County will consult with AOC and the Court prior to making any changes to either funding plan.

2.3 County's use of CCF, Civil Assessments, and Capital Funds is conditioned on the AOC's approval of the bonded indebtedness plan. For the purposes of this MOU, the term "bonded indebtedness" is defined pursuant to the Act (Govt. Code section 70301(a)). The County has met and conferred with the AOC to describe its bonded indebtedness plan, and AOC has approved that bonded indebtedness plan subject to the following:

- a. County will provide AOC with a complete set of all bonded indebtedness documents within five (5) business days after County's execution of said documents.
- b. The County's executed bonded indebtedness documents shall ensure:
 - i. There will be no further encumbrance on the title to the building or the underlying real property following the retirement of the bonded indebtedness.
 - ii. The term of the bonded indebtedness will not exceed 25 years from the date of execution of the bonded indebtedness documents.
 - iii. There will be no restriction on the Court's exclusive use of the Court Facility during or following the term of the bonded indebtedness, ~~except in the event of default by County.~~
 - iv. Prepayment of the principal or interest of the bonded indebtedness will be allowed.

2.4 County will each month provide to the AOC and Court for review and comment copies of all pay applications and expenditures for the Court Project for the previous month, subject to County's final determination.

2.5 County will ensure that all expenditures from the CCF and Civil Assessments are consistent with the conditions of approval from the AOC, the terms of the Trial Court Facilities Agreement (**Exhibit "C"**), and the terms of this MOU. County will ensure that all expenditures from the Capital Funds are consistent with the conditions of approval from the AOC and the Department of Finance.

2.6 County will provide AOC and Court annual accounting of all revenues and expenditures from the CCF, Civil Assessments, and Capital Funds for this Court Project.

2.7 At the completion of the construction of the Court Facility, County shall return any remaining Capital Funds to the State Court Facilities Construction Fund. Upon repayment of the bonded indebtedness, County shall have no right to any balance in the CCF that exceeds the total amount of CCF obligated for payment of the bonded indebtedness for this Court Project, as shown in **Exhibits "E-1" and "E-2"**. The parties acknowledge that the Court's obligation to provide Civil Assessments for this Construction Project is established as shown in **Exhibits "C" and "E-1" or "E-2"**. County shall have no right to use any portion of Civil Assessments that may exist or accrue after the bonded indebtedness is repaid. Any annual accruals of Civil Assessments or CCF's that exceed the amount required from that fund to repay the bonded indebtedness shall remain in its respective fund segregated and unencumbered and shall not be used for any purpose other than as permitted under this MOU.

B. Construction Activities

2.8 County has developed a complete design ("**Design**"), specifications ("**Specifications**"), and all other documents necessary to complete the Court Project (which, collectively with the Design and Specifications, shall be hereinafter referred to as the "**Construction Documents**"). County will solicit, award, and execute a contract and other ancillary agreements related to such contract (collectively, the "**Contract**") to perform and complete the construction of the Court Project in accordance with the Construction Documents, and all applicable federal, state, and local laws, codes, regulations, requirements, and ordinances. AOC has reviewed and approved the 100% Construction Documents for the Court Project dated September 14, 2004, pursuant to the Trial Court Facilities Guidelines developed by the Task Force on Court Facilities and adopted by the Judicial Council on July 1, 2002 ("**Guidelines**"), the entire scope of the AOC's review authority.

2.9 County has provided to AOC the approved construction package dated November 2, 2004, in its entirety including, but not limited to the bids, specifications, addenda, and any change order, all of which AOC has approved

2.10 County will obtain prior written approval from the AOC for all discretionary change orders that are qualitative (affecting the function, appearance, sustainability, or operational maintenance of the Court Facility) or quantitative (affecting the timing or cost of the Court Project). The parties shall work together to develop an approval form and the deadlines for the County's submittal and the AOC's response.

2.10.1 The parties acknowledge that timely field decisions will best serve the interests of the Construction Project, both in cost and time. The County will inform the AOC on no less than a weekly basis of all approved, necessary field directives. County will not finalize pricing of the resulting change orders or incorporate the field directives into change orders without AOC's written review and comment.

2.11 AOC may request County to implement design changes related to the Court Project if the overall effect of the changes does not increase the costs of the Court Project to the County, or the AOC agrees to pay any extra costs caused by the changes, pursuant to Govt. Code section 70331(d). County agrees to implement said changes requested by AOC subject to the restrictions in this section 2.11, except as prohibited by local building ordinances.

2.12 County will provide to AOC and Court all logs, schedules, and project notes from weekly construction meetings for AOC's written review and comment.

2.13 County will be solely responsible for administering the Court Project and the Contract subject to AOC approval or review and comment, as provided herein.

2.14 County will and does indemnify, defend and hold harmless the Court, the AOC, and the State of California (hereinafter "State Parties") from and against all loss, cost, damage, expense, and/or liability of any and every kind and nature (including but not limited to reasonable attorney fees and costs) incurred, suffered by, or claimed against any one or more of the State Parties, by reason of, arising out of, or relating to the Court Project or the administration of the Court Project at all times prior to the County's filing of a notice of completion, except when and to the extent that any such loss, cost, damage, expense, and/or liability arise out of or relate to the negligence or willful misconduct of any one or more of the State Parties.

C. Schedule

2.15 County anticipates that this Court Project will be substantially completed within approximately eighteen (18) months from the date of award of the pending contract for construction. County will make reasonable efforts to complete construction of the project in a timely manner. County will provide informational notices to AOC and the Court regarding significant changes in schedule for completion of the construction. County will provide AOC and Court with all contractor schedule updates, notices of delay, and any recovery schedules. Any time extension or delay damage will be subject to the provisions of Section 2.10.1. The parties acknowledge that unforeseen events may arise which could cause delays to completion of the project.

3. AOC Responsibilities and Obligations

3.1 AOC will serve in an approving role relating to the functionality of the Court Project.

3.2 AOC will timely review and comment, as appropriate, to change orders pursuant to the Guidelines. AOC will not review the Court Project or its revisions or change orders for compliance with any building regulations, codes, or laws.

3.3 AOC will coordinate its reviews, comments, and approvals as provided herein with the Court.

3.4 AOC will recommend and submit to the Department of Finance all required documentation in support of a request for \$3,040,000 of Capital Funds for the Court Project. AOC will use its best efforts to facilitate the award of the Capital Funds for this Court Project.

3.5 AOC will review the bonded indebtedness documents pursuant to the provisions of Section 2.3.

3.6 AOC will participate in field visits at least once a month but no more than once a week to observe and comment on the progress of the Court Project.

3.7 AOC will conduct all reviews in a timely manner consistent with the Court Project schedule.

3.8 AOC will review any changes to the Court Project or Contract for consistency with the Guidelines.

4. Court Responsibilities and Obligations

4.1. Court will document to the AOC and County any Court commitments to provide funding for, or the execution of, the Court Project, including, but not limited to, construction, fixtures, furnishings, or equipment. In addition to the commitment of Civil Assessments in the amount of \$310,000 per year for the repayment of bonded indebtedness for the Court Project, the Court has also committed a total of \$710,000 in local revenue reserves for the Court Project.

4.2 Court will address any questions or concerns about the Court Project through AOC for resolution by AOC and Court.

4.3 Court will conduct all reviews in a timely manner consistent with the Court Project schedule.

5. Future Transfer of Court Facility. After County's completion and acceptance of the Court Project, the parties will work cooperatively and expeditiously to effect a transfer of responsibility and deferred transfer of title to the Court Facility from the County to the State of California on behalf of the Judicial Council. County agrees not to encumber the completed Court Facility or the underlying real property upon the completion of the Court Facility and the repayment of the bonded indebtedness.

6. Project Representatives. Each party hereby designates a project representative during construction as shown herein. Each party shall provide notice to the other parties of any

change in the designation of its project representative pursuant to Section 8.3 herein. All parties agree to ensure that any new Project Representative will possess a level of knowledge and experience necessary for the successful completion of the Court Project, and will provide to the other parties at the time of the notice of change in designation of the Project Representative relevant information relating to the new Project Representative's abilities as a Project Representative.

County	Paul Fillebrown, Director Department of Public Works County of Merced 345 West 7th Street Merced, CA 95340-6041 209/722-7602 Pfillebrown@co.merced.ca.us
AOC	Susan Iverson, OCCM Project Manager Office of Court Construction & Management Administrative Office of the Courts 455 Golden Gate Avenue San Francisco, CA 94102-3688 415/865-8810 Susan.Iverson@jud.ca.gov
Court	Kathleen Goetsch, Court Executive Officer Superior Court of California, County of Merced 627 West 21st Street Merced, CA 95340 209/725-4127 Kathie.goetsch@mercedcourt.org

7. Dispute Resolution. In the event of a dispute between the parties arising under or relating to this MOU, the parties agree that they shall attempt to resolve the dispute through unassisted negotiation. If after seven (7) days the parties are not able to resolve the dispute through unassisted negotiation, any party may give the other parties a written request for a meeting between designated representatives for each party for the purpose of resolving the dispute. Such meeting shall be held within fourteen (14) days of the receipt of such request. If the meeting fails to occur or fails to resolve the dispute, nothing in this MOU shall preclude the Parties from exercising their legal remedies.

8. Miscellaneous

8.1 Entire MOU. This MOU contains the entire and complete agreement of the parties with respect to the subject matter of this MOU, and supersedes any and all other previous or concurrent understandings, arrangements, or agreements, oral or written. No promises, representations, warranties, or inducements of any kind exist between any of the parties to this MOU except as expressly set forth in this MOU.

8.2 Amendment. No addition to or modification of the terms of this MOU shall be valid unless made in a written amendment to this MOU, which is formally approved and signed by each of the parties to this MOU.

8.3 Notices. Any notices required or permitted hereunder shall be in writing and may be: (i) personally delivered; (ii) sent by certified United States mail, first class postage prepaid, with return receipt requested; or (iii) sent by reputable overnight deliver service; addressed as set forth below or to such other place as a party hereto may designate by subsequent written notice to the other party delivered in any manner permitted by Section 5.4. Notices shall be deemed delivered on the date received in the office of the party to whom the notice is addressed; provided, however, that notices delivered on the day that is not a business day shall be deemed received at 9:00 a.m. on the next succeeding business day of the recipient:

If to the County: County Executive Officer
2222 M Street
Merced, California 95340

with a copy to: Auditor - Controller
2222 M Street
Merced, California 95340

If to the Court: Court Executive Officer
Superior Court of California
County of Merced
627 West 21st Street
Merced, CA 95340

If to the AOC: Office of Court Construction and Management
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, California 94102
Attn: Manager, Design and Construction Services

with a copy to: Office of the General Counsel
Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, California 94102
Attn: Managing Attorney, Real Estate Unit

Provided, however, that any and all audit requests and notices by the County relating to alleged violation by AOC of this MOU shall also be directed to:

Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, California 94102
Attention: Business Service Manager

8.4 Authority. The County, AOC, and Court each certifies that it is duly authorized and empowered to execute, enter into, and perform its obligations set forth in this MOU, and each further certifies that the individual signing this MOU on its behalf has been duly authorized to execute this MOU on behalf of the party, and may legally bind the party to the terms and conditions of this MOU.

8.5 Counterparts. The parties agree that this MOU may be executed in three counterparts each of which will be effective in the same way as an original.

IN WITNESS WHEREOF, this MOU has been executed as of the date first above written.

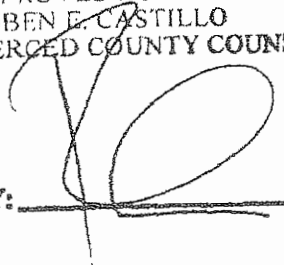
**JUDICIAL COUNCIL OF CALIFORNIA, AN
ENTITY OF THE STATE OF CALIFORNIA,
ACTING BY AND THROUGH THE
ADMINISTRATIVE OFFICE OF THE COURTS**

By: _____
Name: _____
Title: _____

COUNTY OF MERCED

By: Jerry R. O'Banion APR 05 2005
Name: GERALD R. O'BANION
Title: CHAIRMAN

APPROVED AS TO LEGAL FORM
RUBEN E. CASTILLO
MERCED COUNTY COUNSEL

BY: 

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MERCED**

By: _____
Name: _____
Title: _____

Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, California 94102
Attention: Business Service Manager

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JUDICIAL COUNCIL OF CALIFORNIA, AN
ENTITY OF THE STATE OF CALIFORNIA,
ACTING BY AND THROUGH THE
ADMINISTRATIVE OFFICE OF THE COURTS

By: [Signature]
Name: Grant Walker
Title: Business Services Manager

COUNTY OF MERCED

By: _____
Name: _____
Title: _____

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MERCED

By: _____
Name: _____
Title: _____

REC'D APR 15 2005

Administrative Office of the Courts
455 Golden Gate Avenue
San Francisco, California 94102
Attention: Business Service Manager

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IN WITNESS WHEREOF, this MOU has been executed as of the date first above written.

JUDICIAL COUNCIL OF CALIFORNIA, AN
ENTITY OF THE STATE OF CALIFORNIA,
ACTING BY AND THROUGH THE
ADMINISTRATIVE OFFICE OF THE COURTS

By: _____
Name: _____
Title: _____

COUNTY OF MERCED

By: _____
Name: _____
Title: _____

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF MERCED

By: Frank Doherty
Name: FRANK DOHERTY
Title: Presiding Judge

EXHIBIT A
[Legal Description of Land]

EXHIBIT "A"

LEGAL DISCRIPTION

All of Lots 1,2,3,4,5,6,7 & 8 in Block 73 as shown on the "SUPPLEMENTAL MAP TO TOWN OF MERCED" filed for record in Book 1, of Official Plats, Page 12 Merced County Records. And also shown in Volume 2 of Official Plats, Page 12, Merced County Records. Situated in Section 19, Township 7 South, Range 14 East, M.D.B. & M.

Excepting therefrom; That portion conveyed to the City of Merced, filed for record in Volume 3344, Official Records, Page 670, Merced County Records, described as follows; Beginning at the northeasterly corner of said Lot 1; thence S 24°40' W., along the easterly line of said lot 1, 15.00 feet; thence northwesterly along a curve concave to the southwest having a radius of 15.00 feet through a central angle of 89°59'31" an arc distance of 23.56 feet to a point on the northerly line of said lot 1; thence S 65°19'31" E., along said northerly line 15.00 feet to the point of beginning.

Reserving therefrom all easements of record or otherwise acquired.



GOVERNMENT CODE - GOV

TITLE 8. THE ORGANIZATION AND GOVERNMENT OF COURTS [68070 - 77655] (Title 8 added by Stats. 1953, Ch. 206.)

CHAPTER 12. County Penalties [76000 - 76252] (Chapter 12 added by Stats. 1991, Ch. 189, Sec. 11.)

ARTICLE 3. County Provisions [76200 - 76252] (Article 3 added by Stats. 1991, Ch. 189, Sec. 11.)

Notwithstanding any other provision of law, the following conditions pertain to the construction of court facilities in Merced County by the County of Merced for any construction pursuant to a written agreement entered into prior to January 1, 2004, between the board of supervisors and the presiding judge of the superior court:

76223. (a) Revenue received in Merced County from civil assessments for Failure to Appear, pursuant to Section 1214.1 of the Penal Code, shall be available, in an annual amount not to exceed the amount agreed upon by the board of supervisors and the presiding judge of the superior court, for the purpose of augmenting other funds made available for construction.

(b) The presiding judge of the superior court may agree to make available court funds, up to a stated amount, other than funds received from the Trial Court Trust Fund or other state sources, in the courthouse construction fund.

(c) The total amounts deposited under subdivision (a) may not exceed in any fiscal year the amount payable on the construction costs less (1) any amounts paid by the courthouse construction fund and (2) any other amounts paid from other sources except for any amounts paid pursuant to subdivision (b).

(d) The total amounts deposited under subdivision (b) shall not exceed in any fiscal year the amount payable on the construction costs less (1) any amounts paid by the courthouse construction fund, (2) any amounts paid pursuant to subdivision (a) of this section, and (3) any other amounts paid from other sources except for any amounts paid pursuant to subdivision (b).

(e) If legislation is passed and becomes effective transferring the responsibility for court facilities to the state, and the legislation permits the transfer of the bonded indebtedness or other encumbrance on court facilities together with revenue sources for payment of the bonded indebtedness or other encumbrance, the revenue sources provided for by this section may also be transferred to the state.

(f) As used in this section, the costs of construction also includes the payment on the bonded indebtedness or other encumbrance used to finance the construction.

(Added by Stats. 2002, Ch. 1082, Sec. 8. Effective January 1, 2003.)

ATTACHMENT "C"

COURT RELATED REVENUES

County and the Courts agree that the following revenues collected by or for Court under this MOU shall, to the extent not prohibited by law, be deposited in the Trial Court Operations Fund for the exclusive use of Court:

- Record Search Fees [GC 26854]
- Transaction Fees [GC 54985 & Veh.C.40611]
- Dependency Mediation Fees [H&S1036255]
- Civil Assessments [Pen.C. 1214.1]
- Change of Pleas [Pen.C.1203.4(c)]
- Unclaimed Deposits [Trust Balances]
- Accounts receivable [Pen.C.1205(d)]
- Uninsured Motorist Trust Fund Revenues [Pen.C.1463.22]
- Judicial Sanctions
- Court Investigation Fees
- State Hospital Commitments (Stockton cases-6500 WIC)—portion allocated to Court for Court functions only; does not include 6500 funding of County Department such as the County Counsel and Public Defender who also provide reimbursed services in relation to the 6500 program)
- State aid revenue for reimbursement of Court-administered Work Program.

Unanticipated Revenues. County and Court agree that if during County fiscal year 1998-99 Court receives revenues of a type which were anticipated as of the effective date of this MOU and which are not dedicated by statute or regulations to County, the State of California, or other specified public agencies or purposes, then such unanticipated revenues will be deposited in the Trial Court Operations Fund for the exclusive use of Court.

2% Automation and Micro-Automation Trust Funds. County and Court agree that the funds in the Court's 2% Automation Trust Fund and Micro-Automation trust funds shall be transferred to the Trial Courts Operations Fund, with Court thereafter having sole authority to appropriate and expend these funds for the purposes permitted by law.

Court Construction Funds. Court and County shall continue to meet and confer regarding the use of all fine and fee revenue earmarked for the construction and renovation of facilities housing Court functions.

**Certification of FY 2003-04 Civil Assessment Revenue, Offset, and Distribution
Preparer's Contact Information**

Court Contact:	Rick Beard
Telephone Number:	916-874-8133
E-mail Address:	Rick.Beard@SacCourt.com
County Contact:	
County Contact:	Julie Valverde
Telephone Number:	(916) 874-7248
E-mail Address:	ValverdeJ@Saccounty.net

Certification of FY 2003-04 Civil Assessment Revenue, Offset, and Distribution

1.	Sacramento	
2.	FY 2003-04 gross collections of civil assessment by court and county (PC 1214.1)	5,789,343.55
3.	Cost offset of FY 2003-04 civil assessment gross revenue	
a.	Actual private collections agency fee from civil assessment revenue	265,292.55
b.	Actual Franchise Tax Board fee from civil assessment revenue	-
c.	Actual court collections program offsets/costs taken:	
1.	Actual costs/offsets	71,790.19
2.	Incurred costs after remittance	-
d.	Actual county collections program offsets/costs taken:	
1.	Actual costs/offsets	517.77
2.	Incurred costs after remittance	-
e.	Other actual costs	-
4.	Total actual offsets/costs	337,600.51
5.	FY 2003-04 net collections of civil assessment by court and county (gross less total actual offsets)	5,451,743.04
6.	Actual court share of net collections	1,800,248.83
7.	Actual county share of net collections	3,651,494.21
8.	Are both the court and county certifying the above amounts?	Joint Certification

In compliance with GC 68085.7, I certify that the amounts above accurately represent the collections, offsets, and revenue sharing of FY 2003-04 civil assessment revenue. I also certify to the FY 2003-04 fee, fee methodology, and use of civil assessment revenue data provided in the certification template.

RL Candee Acting PJ
 Signature of Presiding Judge

SACRAMENTO
 Superior Court of

ROLAND L. CANDEE
 Printed Name

SEPT. 12, 2005
 Date

Terry Schuttgen
 Signature of County Administrative Officer

SACRAMENTO
 County of

TERRY SCHUTTGEN
 Printed Name

SEPTEMBER 8, 2005
 Date

FY 2003-04 CIVIL ASSESSMENT CERTIFICATION METHODOLOGY AND COMMENTS WORKSHEET

1. Describe the outside collection agencies fee and fee methodology used in FY 2003-04. For example, describe the fee amount (e.g., a percentage or a cap up to a maximum amount) and how the fee was applied (e.g., the fee was applied only to civil assessment revenue or to all fine components).

Sacramento Superior Court uses GC Services for enhanced collections on cases in which the Sacramento County Department of Revenue Recovery has not been able to collect on for a period of one year. GC Services commission rate is 25% of the total amount remitted for collection, up to a maximum of \$140 per case. These commission costs are prorated across all fine components equally.

2. Describe the Franchise Tax Board fee and fee methodology used in FY 2003-04. For example, describe the fee amount for the collection of court ordered debt and how it was applied.

N/A

3. Describe the methodology used to determine the actual court collections program offsets/costs. For example, describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the court collections programs that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue).

Costs consist of actual invoiced amounts for commission costs from GC Services, as well as labor costs for Court staff processing cases sent and monies received from GC Services. These costs were prorated across all fine components for GC Services payments. FY FY 03/04, a total of \$1,260,416 was received from GC Services. \$645,463 was for Civil Assessment. Total collections costs were \$174,352. The amount of collection cost allocated to Civil Assessment was \$174,352.

4. Describe the methodology used to determine the actual county collections program offsets/costs. For example describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the county collections program that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue).

Costs consist of labor costs for County staff processing cases received from the Court. These costs were prorated across all fine components for Court cases. Total Civil Assessment amount collected by DRR was \$1274; cost allocated to Civil Assessment was \$517.

5. Describe the methodology used to determine other actual offsets/costs. For example, describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the court collections programs that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue). If the court or county is unable to separate the costs or offsets by component, provide an explanation and additional details here.

N/A

6. Any other comments. Specify any extraordinary /one-time costs, e.g., program implementation costs along with an explanation here.

Type here.

Court Use of FY 2003-04 Civil Assessment Net Revenue

1. Sacramento		▼
Select yes for each item for which your court used FY 2003-04 civil assessment net revenue. For each item where you indicate yes, briefly explain in row 14.		
2. Judicial benefits	No	▼
3. Court facilities	No	▼
4. AB 1058 commissioner, family law facilitator and associated costs	No	▼
5. Record storage	No	▼
6. Drug court	No	▼
7. Debt service	No	▼
8. Small claims advisor	No	▼
9. Probation	No	▼
10. Pre-trial service	No	▼
11. Grand jury	No	▼
12. Other court staff and operations (list below)	No	▼
13. Other county staff and operations (list below)	No	▼
list here.		
14. Comments about use of civil assessment net revenue		
Civil Assessment monies were reserved in FY 03/04 for future projects, such as the new Juvenile Courthouse, Facilities reprogramming costs, CCMS deployment, CARS, and CHRIS.		

County Use of FY 2003-04 Civil Assessment Net Revenue

1.	Sacramento	▼
<p>Select yes for each of the items for which your county used FY 2003-04 civil assessment net revenue. For each item where you indicate yes, briefly explain in row 5.</p>		
2.	Judicial benefits	Yes ▼
3.	Court facilities	Yes ▼
4.	Other court staff and operations (list below)	Yes ▼
<p>Judicial Benefits cost of \$90,379; Court Facilities Cost of \$7,930,622. This amount is IN ADDITION TO our mandated Court Operations MOE cost of \$20,733,264.</p>		
5.	Comments about use of civil assessment net revenue	Yes ▼
<p>Sacramento County's actual 2003-04 share of all AB 139 revenues posted to the General Fund Budget, as did the expenditures cited above. As anticipated in the original Trial Court Funding legislation, revenue generated from this and similar sources continue to be used to offset the on-going obligation of the County's MOE, which was based on the gross cost of court operations in the Fy 1994-95 base year.</p> <p>The facility cost addressed above is actually a double-hit on counties. This has been addressed numerous times, but the fact remains that the MOE includes a facility component AND the County is responsible for the direct cost of facilities.</p>		



California State Association of Counties
 1100 K Street ♦ Suite 101
 Sacramento, CA ♦ 95814
 916/327-7500
 415/865-7945



Judicial Council of California
 Administrative Office of the Courts ♦ Finance Division
 455 Golden Gate Avenue
 San Francisco, CA ♦ 94102

DATE: September 15, 2006

TO: County Administrative Officers
 County Auditor-Controllers
 Other Key County Contacts

FROM: Rubin R. Lopez and Elizabeth Howard, Administration of Justice Staff
 California State Association of Counties (CSAC)

Christine M. Hansen, Director and Chief Financial Officer
 Administrative Office of the Courts (AOC)

**SUBJECT: 2006–07 County Fine and Forfeiture Maintenance of Effort (MOE)
 Obligation (Government Code Section 77201.1(b)(2) Details – COUNTY
 OF SACRAMENTO**

SCHEDULE FOR 2006–07 INCLUDING AB 139 AND AB 145 BUYOUTS

The California State Association of Counties (CSAC) and the Administrative Office of the Courts (AOC) are providing each county with details on its quarterly fine and forfeiture maintenance of effort (MOE) payments for 2006–07. As counties will recall, two legislative measures of 2005 resulted in potential fine and forfeiture MOE buyouts: AB 139 (chapter 74, Statutes of 2005) provided, where applicable, for buyouts of county civil assessment revenue, and AB 145 (chapter 75, Statutes of 2005) provided for buyouts of the county portion of certain AB 233 fees. Each county has received prior, separate notice of AB 139 and AB 145 buyout amounts.

Although it was our intention to memorialize the adjusted MOE amounts in statute during the 2006 legislative session, those statutory changes were not realized. Until such time as Government Code Section 77201.1 can be updated to reflect the adjusted MOE amounts, counties must manually offset their quarterly fine and forfeiture MOE payments with any applicable reductions. In the table below, details are provided showing your county’s current fine and forfeiture MOE obligation, any applicable offsets associated with AB 139 and AB 145, the new “adjusted” MOE amount, and the resulting quarterly payment.

County of Sacramento

Current Fine and Forfeiture Revenue MOE Obligation — GC Section 77201.1(b)(2)	\$ 5,937,204	
AB 139 Civil Assessment Buyout	\$ 3,651,494	
AB 145 Buyout	\$ 456,018	
Adjusted 2006–07 Fine and Forfeiture MOE Amount	\$ 1,829,692	
Quarterly MOE Payment	\$ 457,423	Rev/Object Code 00000164601

Other important details to note:

- Some counties may have overpaid or underpaid the previous year's (FY 2005-06) fine and forfeiture revenue MOE. For information regarding any overpayment or underpayment, please contact Annette Stephenson of the State Controller's Office at astephenson@sco.ca.gov.
- Counties must also include as part of the quarterly fine and forfeiture MOE payments their contribution, if any, toward the \$15 million undesignated fee transfer. Your county's undesignated fee obligation was indicated in a previous joint CSAC/AOC communication dated August 15, 2006.
- The basis for calculating and splitting the 50/50 excess revenue (GC Section 77201.1) is now and will remain the amount identified in GC Section 77201.1(b)(2).

The State Controller's Office has communicated additional details to county auditor-controllers regarding quarterly MOE payments in a memo dated July 14, 2006. (See <http://www.sco.ca.gov/ard/delinquent/delinquent0607.pdf>). That memo contains the postmark deadlines for the four quarterly payments.

Please also note that any late payments are subject to penalties, as set forth in GC 68085.6(e). If you have any questions regarding this notice, please contact one of the following CSAC or AOC staff:

Contact	Phone #	E-mail Address
Rubin Lopez (CSAC)	916-327-7500, ext. 513	rlopez@counties.org
Elizabeth Howard (CSAC)	916-327-7500, ext. 537	ehoward@counties.org
John Judnick (AOC)	415-865-7450	john.judnick@jud.ca.gov
Ruben Gomez (AOC)	415-865-7686	ruben.gomez@jud.ca.gov

cc: Executive Officers of the Superior Courts

James Keene, Executive Director, California State Association of Counties
 Kathleen Howard, Director, Office of Governmental Affairs, AOC
 Eraina Ortega, Manager, Office of Governmental Affairs, AOC
 Stephen Nash, Asst. Director of Finance, Office of Budget Management, AOC
 John Judnick, Manager, Internal Audit Services, AOC
 Ruben Gomez, Manager, Fiscal Administration and Technical Support Services, AOC
 Steven Chang, Supervisor; Budget, Data and Technical Support Unit; AOC
 Patrick O'Donnell, Supervising Attorney, Office of the General Counsel, AOC
 Michael Fischer, Senior Attorney, Office of the General Counsel, AOC
 Brad Heinz, Senior Attorney, Office of the General Counsel, AOC
 Janet Grove, Attorney, Office of the General Counsel, AOC
 Annette Stephenson, Fiscal Analyst, State Accounting Section, State Controller's Office
 Bob Stonehouse, Fiscal Analyst, Division of Accounting and Reporting, SCO

**AGREEMENT FOR AB 139 CIVIL ASSESSMENTS/ EQUITY ADJUSTMENT FOR
FINANCING WATSONVILLE COURT FACILITY**

This AGREEMENT is made and entered into on this 1st day of August 2007 (“**Effective Date**”), by and between the COUNTY OF SANTA CRUZ, a municipal corporation and political subdivision of the State of California (the “**County**”), and the SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CRUZ (the “**Superior Court**”), with reference to the following facts:

RECITALS

- A. The County is in the process of constructing a new Superior Court facility known as the Watsonville Superior Court (**the Watsonville Court**) in conjunction with the City of Watsonville and the Superior Court. Prior to the implementation of AB 139, the County anticipated utilizing a portion of the civil assessments previously retained by the County to finance debt service for the Watsonville Court. As a result of the implementation of AB 139, the County no longer retains the civil assessments, and therefore would not have access to this funding stream, creating an undue hardship on the County.
- B. AB 139 (Government Code Section 68085.8), provided for an equity adjustment to resolve such issues and the County and the Superior Court jointly requested an adjustment which was approved on February 8, 2006 by the Administrative Office of the Courts (**AOC**) and the California State Association of Counties (**CSAC**) in the amount of \$75,000 per year for 30 years beginning in 2006 with a final adjustment in 2036. (**Exhibit A**)
- C. This agreement between the County and the Superior Court is necessary to implement the equity adjustment and to provide for the transfer of revenue annually from the Superior Court to the County for the Watsonville Court.

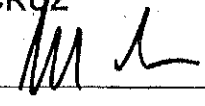
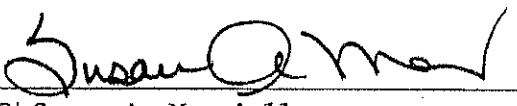
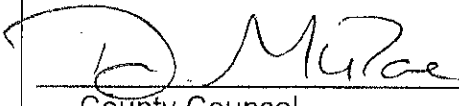
AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the County and the Superior Court agree as follows:

- 1) The Superior Court shall transfer the amount of \$75,000 annually to the County Auditor-Controller to partially offset the County's debt service for the tenant improvements for the Watsonville Court.
- 2) All payments shall be based on a fiscal year to facilitate the accounting for the funds.

- 3) For 2006-07, the Superior Court will transfer the first payment of \$75,000 to the County upon approval of this agreement. The parties acknowledge that the delay in processing this agreement was due to circumstances beyond the control of both parties and that payment for 2006-07 is necessary and consistent with the agreement from the AOC and CSAC dated February 8, 2006.
- 4) For 2007-08 and each subsequent fiscal year through 2035-36, the County shall provide an invoice to the Superior Court in January for \$75,000, which shall be paid to the County within 30 days.
- 5) The revenue shall be deposited by the Auditor-Controller in Index 451000, sub object 2384- Other revenue. An appropriation has been set up in the debt service budget 131200 to provide for payment of the annual loan amount.
- 6) No payment shall be made by the Superior Court to the County pursuant to this agreement after the 2035-36 fiscal year.

IN WITNESS WHEREOF, the Superior Court and the County have executed this agreement upon the date first above written.

COURT:	COUNTY:
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CRUZ	COUNTY OF SANTA CRUZ
By: <u>Alex Calvo, </u>	By: <u>Susan A. Mauriello </u>
Name: Alex Calvo	Name: Susan A. Mauriello
Title: Executive Officer, Superior Court	Title: County Administrative Officer
	APPROVED AS TO FORM BY:
	<u></u> County Counsel

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF SHASTA AND
THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SHASTA COUNTY**

This Memorandum of Understanding (MOU) is made and entered into by the County of Shasta ("County") and the Superior Court of California, County Shasta ("Court") effective as of the 1st day of March 2006.

A. The County is the owner of that certain real property located at 1500 Court Street, Redding, California 96001. Said real property is improved with a building commonly known as the Shasta County Courthouse ("Courthouse").

B. The Court occupies portions of the Courthouse on the first, second and third floors of the building, including, but not limited to, eight (8) courtrooms and certain office and administrative space. The County occupies and wishes to retain portions of the Courthouse, including 2,160 square feet used for the Law Library in the basement, 770 square feet for Recorder's Office storage in the basement, 41.5 square feet in the computer room in the basement, and 2,492 square feet used for the Sheriff's Civil Department on the second floor ("County Retained Space"). The remainder of space in the Courthouse is vacant, ("County Vacant Space") having been previously occupied by County departments relocated to the new County Administrative Center at 1450 Court Street, Redding, California 96001.

C. The County is responsible for certain leases located at 1640 West Street (excluding Family Law Facilitator), 1451 Court Street and 1388 Court Street ("County Approved Leases") to house certain court employees. These leases total 6,432 square feet and require a total annual lease payment of \$76,758.

D. The Court is responsible for certain leases located at 1610 West Street, 1640 West Street (Family Law Facilitator only) and 1826 Shasta Street ("Court Direct Leases") to house certain court employees. These leases total 6,128 square feet and require a total annual lease payment of \$71,541.00.

E. The County, the Court and the Administrative Office of the Courts (AOC) have participated in discussions concerning the transfer of responsibility for the Courthouse pursuant to the Trial Court Facilities Act of 2002 (Government Code Sections 70301 et seq.) but such discussions have not yet been completed. A transfer agreement will need to be drafted, negotiated, and signed, before the transfer of responsibility for the Courthouse can be consummated.

F. The County and the Court have been discussing the terms on which the Court may occupy the County Vacant Space and eliminate both the County Approved Leases and Court Direct Leases in order to more effectively and efficiently conduct court operations by having all court employees housed in the Courthouse.

THEREFORE, in consideration of the above-stated facts and the mutual agreement set forth below in this MOU, the County and the Court agree as follows:

1. Relocation of County Approved Leases. The County shall relocate to the County Vacant Space in the Courthouse the operations and court employees located in County Approved Leases at its sole cost and expense. The County shall be responsible for the costs associated with the internal relocation of staff within the building that is caused or occasioned by the relocation of these leases, any remodeling of the relocation space at the Courthouse, any additional household expenses, utilities, security services necessitated by the relocation of these County Approved Leases.

2. Relocation of Court Direct Leases. The County shall permit the Court to relocate to the County Vacant Space in the Courthouse the operations and court employees located in Court Direct Leases. The Court shall be responsible for moving costs necessitated by the relocation of court employees from the eliminated leased space to the Courthouse.

3. Payment to County. The Court shall pay to the County an amount not to exceed its annual rent obligation for the Court Direct Leases totaling \$71,541.00 per year, which will be offset 100% pursuant to paragraph 4 below. This amount is not subject to any future escalation except as set forth below.

4. Consideration of Civil Assessment Revenue. In consideration of the County's recent reduction in the maintenance of effort payment to the State of California due to the redistribution of Civil Assessment revenue, the County agrees to forego any payment for the County Vacant Space until civil assessment revenue exceeds the 2003/2004 benchmark of \$401,580 per year. Both parties may negotiate a new annual payment for the Court Direct Leases after such time as the revenue exceeds the benchmark previously stated.

5. Court Facilities Payment. Should a transfer of responsibility agreement be agreed to between the County and the AOC for the Court occupied spaces at the Courthouse, the County understands and agrees that the Court Facilities Payment (CFP) will be based on the Court's current space determined to be 47,804 gross square feet plus the County Approved Leases of 6,432 square feet.

6. No Court Facilities Payment on Court Direct Leases. The County shall not be responsible for any CFP payment on any of the spaces to be occupied by the Court Direct Leases, nor is the County obligated to provide services and utilities beyond what is normally provided to other occupants at the Courthouse.

7. Miscellaneous

Entire MOU. This MOU contains the entire and complete agreement of the parties with respect to the subject matter of this MOU, and supersedes any and all other prior or contemporaneous understandings, arrangements, or agreements,

oral or written. No promises, representations, warranties, or inducements of any kind exist between any of the parties to this MOU except as expressly set forth in this MOU.

b. Amendment. No addition to or modification of the terms of this MOU shall be valid unless made in a written amendment to this MOU, which is formally approved and signed by each of the parties to the MOU.

c. Waiver. No waiver of any provision of this MOU shall be valid unless given in writing and signed by all parties hereto. No waiver by any party at any time of a breach of any of the terms of this MOU shall be deemed or construed as a waiver of a breach of any other provision set forth in this MOU or a consent to any succeeding breach of the same provision or a breach of any other provision of this MOU. If any action by any party shall require consent or approval of another party, a consent or approval given on any one occasion shall not be deemed or construed as a consent or approval of such action on any subsequent occasion or a consent to or approval of any other action.

d. Indemnification. The County and the Court each agree to indemnify, defend, and save harmless the other party and the other party's officers and employees, from and against claims and losses arising out of, or in any way related to, the indemnifying party's performance under this agreement, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorneys' fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers and employees.

e. Notices. Any notices required or permitted hereunder shall be in writing and shall be: (i) personally delivered; or (ii) sent by certified United States mail, first class postage prepaid, with return receipt requested; or (iii) sent by reputable overnight delivery service; addressed as set forth below or to such other place as a party hereto may designate by subsequent written notice to the other party delivered in any manner permitted by this section. Notices shall be deemed delivered on the date received in the office of the party to whom the notice is addressed; provided, however that notices delivered on a day that is not a business day or after the regular business hours of the recipient shall be deemed received at 9:00 a.m. on the next succeeding business day of the recipient:

If to County: County Administrative Officer
1450 Court Street, Suite 308A
Redding, CA 96001

If to Court: Court Executive Officer
1500 Court Street, Room 205
Redding, CA 96001
and

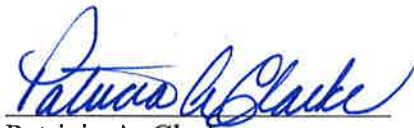
Presiding Judge
1500 Court Street
Redding, CA 96001

f. Authority. The County and the Court each certify that it is duly authorized and empowered to execute, enter into, and perform its obligations set forth in this MOU, and each further certifies that the individual signing this MOU on its behalf has been duly authorized to execute this MOU on behalf of the party, and may legally bind the party to the terms and conditions of this MOU.

IN WITNESS WHEREOF, the County and the Court have executed this MOU on the day and year set forth below.

SHASTA COUNTY
BOARD OF SUPERVISORS

SHASTA COUNTY SUPERIOR COURT


Patricia A. Clarke
Chairman


Susan Null
Court Executive Officer

Date: JAN 10 2006

Date: 1-10-06


ATTEST:
Clerk of the Board of Supervisors
Shasta County



APPROVED AS TO FORM:

APPROVED AS TO FORM:


County Counsel
Shasta County


Daryl E. Kennedy, General Counsel
Shasta County Superior Court

H:Admin. MOU re courthouse vacant space

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("**Memorandum**") is effective as of July 1, 2017, or as may be specifically set forth in Exhibits A-D, by and between the Superior Court of California, County of Siskiyou ("**Court**") and the County of Siskiyou ("**County**") (each a "**Party**" and collectively the "**Parties**").

RECITALS

WHEREAS, effective as of January 1, 1998, the Lockyer-Isenberg Trial Court Funding Act of 1997, commonly referred to as AB233, relieved counties from their previous responsibility to fund trial court operations, as defined in Government Code Section 77003 and California Rule of Court 10.810 ("**Trial Court Operations**");

WHEREAS, thereafter the State of California ("**State**") assumed responsibility for funding of Trial Court Operations;

WHEREAS, pursuant to Government Code Section 77212(a), during the 1997-1998 Fiscal Year, County was required to continue to provide and Court was required to continue to use, County services provided to Court, including, but not limited to, auditor/controller services and coordination of telephone services, Treasurer's services, .

WHEREAS, Government Code Sections 77212(b) and (c) give Court and County, starting on July 1, 1998, the option to terminate the above-mentioned services, except those that are vital to Court, with at least ninety (90) days notice ;

WHEREAS, Court requests County, through certain County departments, to provide to Court certain services described in this Memorandum;

WHEREAS, the services which County provides to Court shall be charged as specified herein and shall otherwise comply with California Rule of Court 10.810; and

WHEREAS, County is willing and able to provide said services to Court, and Court agrees to pay for said services.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. SERVICES

1.1 Scope of Services. County and Court shall provide such services as set forth in Exhibits A-D, attached hereto and incorporated herein by reference, as related to the support of Trial Court Operations ("**Services**").

1.2 Compensation for Services. In consideration for the Services provided to Court by County, and subject to California Rule of Court 10.810, Court agrees to compensate County as set forth in Exhibits A-C. County agrees to compensate Court for services set forth in Exhibit D. In the event that Court or County determines that a funding limitation requires a reduction or elimination of Service or level of Service, the Parties agree that the particular Service and/or level of Service to be reduced shall be discussed before any Service reduction is made. County and Court retain the right to terminate such services, if in its sole discretion it determines payment is insufficient, unduly delayed, or the continued provision of such services is not in the best interest of the County.

1.3 Indirect and Overhead Costs. Court and County shall allocate any indirect and overhead costs in accordance with the State approved Cost Allocation Rate. However, Court and County labor shall be charged directly based on time records.

1.4 Manner of Payment.

a. Court and County shall bill for services on an annual basis by means of a written invoice with supporting documentation (“*Invoice*”) by July 20th of every year. Such payments shall be due within thirty (30) days of the billing, except for AR billing which shall remain on a monthly basis.

b. With regard to additional Services that may be requested by Court or County beyond those Services listed in Exhibits A-D, the Party providing the additional Services shall submit an Invoice identifying any other additional Service(s) rendered. All charges for additional Services rendered shall be made in accordance with Government Code Section 77003, California Rule of Court 10.810 and as may be otherwise be provided by law. The County and Courts ICRP rate is agreed to be in accordance with these requirements.

1.5 Dual Service Provider. When a County employee provides the same or similar Services to both Court and County and such Services to Court are billed to Court on an hourly basis pursuant to this Memorandum, such employee shall record the amount of time he or she spent on Trial Court Operations. County shall only bill Court for the employee’s actual time spent on Trial Court Operations. Costs charged to Court may not exceed the costs of providing similar services to County departments.

1.6 Verification. Either Party may request additional back-up information regarding any Service being billed or the amount charged. Best efforts shall be made to provide information within fifteen (15) days of such request. It is understood that for fiscal year end billing the fifteen (15) day response time is critical to the Court and County. Either Party shall also have the right to review or audit the information supporting the invoice of the other Party, in order to assure compliance with the terms of the Memorandum. This review right is limited by any laws protecting employee privacy. This Memorandum is subject to examinations and audit by the State Auditor for a period of three years after final payment.

1.7 Cooperation. Either Party may identify to the other Party outside vendors or subcontractors of goods or services used by a Party. Each Party shall at all times endeavor to

cooperate with such outside vendors or subcontractors so identified and shall advise the other Party of any cooperation or coordination problems that may arise.

1.8 State Budget. Neither Party shall be in breach of this Memorandum for failure to pay Invoices on time if such failure results from the Legislature's or County's failure to approve and adopt a budget in a timely manner, except that the County retains the right to discontinue such services on appropriate notice.

2. TERM/TERMINATION

2.1 Term. This Memorandum shall be effective as of July 1, 2017, or as may be specifically set forth in Exhibits A-D, and shall remain in effect until June 30, 2023, (a) unless otherwise terminated as provided in a specific exhibit as to Services which are being continued (or may be continued) for a limited term, or (b) until terminated by either Party in accordance with Section 2.2 of this Memorandum as to all other Services. The maximum contract amount shall not exceed \$1 million through June 30, 2023. This Memorandum shall continue on a year-to-year basis after June 30, 2023 by one party providing notice to continue in writing unless a change in services is requested by either party.

2.2 Termination. Except as provided in Section 2.3 below, either Party may terminate all or any of the Services under this Memorandum, by giving notice to the other Party in the manner specified in Section 5.6 below. Pursuant to California Government Code Section 77212(b), such notice under this Section 2.2 shall be given at least ninety (90) days prior to the end of Court's fiscal year, and shall become effective only upon the first day of the succeeding fiscal year, except that in circumstances where payment to the County is delayed over 90 days for any reason, the County may terminate such services. The fiscal year begins on July 1 and ends on June 30, with the initial year of this agreement July 1, 2017 through June 30, 2018.

2.3 Vital Services. If either Party elects to terminate a Service, it shall provide reasonable assistance to ensure that, if said Service is a vital service, it can be available from other entities that provide such Services.

2.4 Collection Services. Exhibit D will remain in full force and effect after the termination of this Memorandum, unless and until the Parties execute a new memorandum of understanding or other document setting forth their agreement on the operation of a subsequent collection program as required by Penal Code section 1463.010.

3. DISPUTE RESOLUTION

3.1 Continuation of Services. Whenever County and Court disagree as to any matter governed by this Memorandum, the dispute resolution process discussed in this Section 3 shall govern. Until the dispute is resolved, County and Court shall continue to provide the Services and shall continue to make payments therefore as set forth herein.

3.2 Request for Meeting. If after ten (10) working days, Court and County cannot resolve any dispute; either Party may give the other Party a written request for a meeting between the Court Executive Officer and the County Administrative Officer for the purpose of

resolving a disagreement between the Parties. If such meeting is requested, the meeting shall be held within ten (10) days of the receipt of such request.

3.3 Resolution of Disputes. If the meeting in Section 3.2 does not resolve the issue, the Presiding Judge and Chairman of the Board of Supervisors shall meet with staff and the County Administrative Officer and the Court Executive Officer to resolve the matter. Any disputes between the Parties regarding the interpretation or performance of this Memorandum that are not resolved under Section 3.2 above or the Presiding Judge and Chairman of the Board of Supervisors meeting, may be resolved if both parties agree by submission of the dispute to non-binding mediation. If the meeting fails to occur or fails to resolve the disagreement, nothing in this Memorandum shall preclude the Parties from exercising their legal remedies.

3.4 Jurisdiction and Venue. If a dispute between the Parties regarding the interpretation or performance of this Memorandum is not resolved under Section 3.3 above, either Party may bring legal action to interpret or enforce this Memorandum in the Superior Court of California, County of Siskiyou. In the event that such legal action is taken by either Party, the judges for the Superior Court of California, County of Siskiyou will adhere to state law requiring judges to recuse themselves from hearing a case if the judges have an interest in the outcome or when a person aware of the facts might reasonably entertain a doubt that the judge would be able to be impartial. Upon recusal by the Siskiyou Judges, the Chief Justice would assign a judge to hear the case through the Assigned Judges Program.

4. COURT FACILITIES

4.1 Maintenance

- a. In December, 2008, Siskiyou County transferred responsibility for the Court's space in the Siskiyou County Courthouse located in Yreka to the State of California. At the same time, the County transferred ownership of the Dorris Courthouse to the State of California.
- b. For the Courthouse in Yreka, by terms of the transfer agreement the County performs maintenance services to the Court on an hourly rate basis from requests the Court submits on Computer Aided Facility Management (CAFM) forms for services.
- c. As a result, the County may no longer charge the Court for any costs on its Cost Allocation Plan for maintenance performed at the Courthouse in Yreka or the Dorris Courthouse.

4.2 Furniture, Furnishings and Equipment.

- a. Pursuant to Government Code Section 68073.1, all furniture, furnishings, and equipment used solely by Court on June 30, 1997, are the sole property of Court unless County was prohibited from transferring title by a contract, agreement, covenant, or other provisions in the law. This Section shall be interpreted consistently with the Agreement for the

transfer of responsibility for the Courts space in the Siskiyou County Courthouse executed in December 2008 and shall not be interpreted as conveying a right to the Court to any additional furniture, furnishings, or equipment.

b. Any other furniture, furnishings, or equipment made available for use by Court on June 30, 1997, shall continue to be made available to Court, unless otherwise agreed in writing by Court and County.

c. Court shall assume all responsibility for any furniture, furnishing, and equipment for which title is transferred to Court or that continues to be made available for use by Court pursuant to this section, including the fiscal responsibility for any rental or lease obligation, the repair, maintenance, and replacement of such furniture, furnishing, and equipment.

5. STANDARD CAUSES

5.1 Amendment. No addition to or alteration of the terms of this Memorandum shall be valid unless made in the form of a written amendment to this Memorandum, which is formally approved and executed by the governing bodies of each of the Parties of this Memorandum, or their respective authorized designees.

5.2 Further Assurances. Each Party hereto agrees to cooperate with the other, and to execute and deliver, or cause to be executed and delivered, all such other instruments and documents, and to take all such other actions as may be reasonably requested of it from time to time, in order to effectuate the provisions and purposes of this Memorandum. The Parties agree to consult with each other with regard to future collection enhancement programs.

5.3 Time. Time is of the essence of each and all of the provisions of this Memorandum.

5.4 Assignment. A significant consideration for this Memorandum is the familiarity of County with Court operations and facilities that will allow County to efficiently provide the Services utilizing trained County staff. County and Court agree that County will advise Court of any subcontracted Service and, that County shall ensure that performance of work or Services by County vendors or subcontractors shall be in conformance with the terms and conditions specified within this Memorandum and supplemental agreements for specified work or Services. County shall be responsible for ensuring satisfactory performance by County vendors or subcontractors.

5.5 Time of Performance. Unless specifically stated to the contrary, all references to days herein shall be deemed to refer to those business days when both Court and County are conducting business. If the final date for payment of any amount or performance of any act falls on a Saturday, Sunday or holiday, such payment shall be made or act performed on the next succeeding Court business day.

5.6 Notices. Any notices required or permitted hereunder shall be in writing and may (a) be personally delivered; (b) be mailed by depositing such notice in the United States mail, first class postage prepaid; or (c) be sent by reputable overnight delivery service; addressed as

follows or to such other place as each Party may designate by subsequent written notice to the other Party:

If to Court: Superior Court Executive Officer
311 Fourth St, Room 206
Yreka, CA 96097
Attn: Court Executive Officer

If to County: Siskiyou County Administrative Office
1312 Fairlane Rd.
Yreka, CA 96097
Attn: County Administrative Officer

5.7 Waiver. Any waiver by either Party of a breach of any of the terms of this Memorandum shall not be construed as a waiver of any succeeding breach of the same or other term of this Memorandum.

5.8 Binding. This Memorandum shall be binding upon the successors of Court and County.

5.9 Counsel and Drafting. Each Party, by its due execution of this Memorandum, represents to the other Party that it has reviewed each term of this Memorandum with their counsel, or has had the opportunity for such review with their counsel. No Party shall deny the validity of this Memorandum on the ground that such Party did not have the advice of counsel. Each Party has had the opportunity to participate in drafting and preparation of this Memorandum. The provisions and terms of this Memorandum shall be interpreted in accordance with the plain meaning thereof, and shall not be construed in favor or against either Party.

5.10 Counterparts. This Memorandum may be executed in one or more counterparts, all of which together shall constitute one and the same agreement.

5.11 Severability. In the event any provision of this Memorandum is held by a court of competent jurisdiction or arbitration to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way.

5.12 Governing Law. This Memorandum shall be construed under the laws of the State of California, without regard to its conflict of law provisions.

5.13 Certification of Authority to Execute this Memorandum. The individual(s) signing below represent they have full authority to (a) execute this Memorandum on behalf of the Parties, and (b) legally bind the Parties to the terms and conditions of this Memorandum.

5.14 Independent Contractor. Each Party, with its departments as its agents, shall perform this Memorandum as an independent contractor, exercising due care and providing the Services with such skill that is customary for providers of such Services. The officers, agents and employees of either Party are not, and shall not be deemed, employees of the other Party for any purpose, including workers' compensation and shall not be entitled to any of the benefits.

Each Party shall determine, at its own risk and expense, the method and manner by which the duties imposed in general by this Memorandum shall be performed; provided, however, that each Party may monitor the work performed. Neither Party shall deduct or withhold any amounts whatsoever from the reimbursement paid to the other Party, including, but not limited to, amounts required to be withheld for state and federal taxes or employee benefits. Each Party alone shall be responsible for all such payments for its employees who perform services pursuant to this Memorandum.

5.15 Civil Assessments for Criminal Cases after July 1, 2004. The Parties understand and agree that the Court shall recover all costs associated with the Comprehensive Court Collection Program ("**Program**") as provided by law.

5.16 Legislative Changes. This Memorandum is subject to any future legislation that may alter or amend any provision contained herein.

5.17 Compliance with Laws. Each party is, and will remain, in compliance in all material respects with all laws, rules, and regulations applicable to the Services it provides to the other Party.

5.18 Small Claims Advisory Services.

a. Court shall oversee, manage, and subcontract Small Claims Advisory Services on behalf of County and shall ensure compliance with the requirements found in California Code of Civil Procedure Sections 116.260, 116.940 and California Rules of Court, Rule 3.2120 applicable to the Regional Services.

b. The Parties further agree and understand that County shall not provide any financial support from the County General Funds for the Small Claims Advisory Services.

6. MUTUAL INDEMNIFICATION

6.1 Indemnification by Court. Court shall indemnify and hold harmless and defend County, its officers, agents and employees, from any and all liability, demands, damages, penalties, fines, interests, costs or expenses (including reasonable attorneys' fees) that arise out of, or are alleged to arise out of or are in any way connected with or incident to the duties or obligations of Court pursuant to this Memorandum, including any error or omission of Court in performing such duties and obligations, except to the extent that such claims arise out of the negligence or willful misconduct of County, its officers, agents or employees.

6.2 Indemnification by County. County shall indemnify and hold harmless and defend Court, its judges, subordinate judicial officers, officers, agents and employees, from any and all liability, demands, damages, penalties, fines, interest, costs or expenses (including reasonable attorneys' fees) that arise out of, or are alleged to arise out of or are in any way connected with or incident to the duties or obligations of County pursuant to this Memorandum, including any error or omission of County in performing such duties and obligations, except to the extent that such claims arise out of the negligence or willful misconduct of Court, its judges, subordinate judicial officers, officers, agents or employees.

6.3 Third Party Claims. If any third party shall notify a Party with respect to any matter (a "*Third Party Claim*") which may give rise to a claim for indemnification against the other Party under this Section 6, then the Party seeking indemnification shall promptly and timely notify the indemnifying Party in writing of the Third Party Claim. The indemnifying Party shall be relieved of any obligation or liability under this Section 6, to the extent a delay by the Party seeking indemnification in giving notice of the receipt of the Third Party Claim results in any damage or prejudice to the indemnified Party. If the indemnifying Party is conducting the defense of the Third Party Claim in accordance with this Section 6.3, the indemnifying Party shall not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim that legally binds the indemnified Party, without the prior written consent of the indemnified Party (which consent shall not be withheld unreasonably). For purposes of this Section 6.3, notice shall be deemed served (a) to County, if notice is delivered to the Clerk of the County Board of Supervisors, and (b) to Court, if notice is delivered to the Court Executive Officer.

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the day and year first above written.

SUPERIOR COURT OF CALIFORNIA,

COUNTY OF SISKIYOU:

By: Wm J. Davis

Presiding Judge

APPROVED AS TO LEGAL FORM

[Signature]
CEO Siskiyou County Superior Court

COUNTY OF SISKIYOU:

By: [Signature]

Michael N. Kobseff, Chair, Board of Supervisors

ATTEST:

COLLEEN SETZER

Clerk, Board of Supervisors

By: [Signature]
Deputy

EXHIBIT A

EMPLOYEE BENEFIT SERVICES

1. EMPLOYEE BENEFIT SERVICES

The County shall provide to the Court certain employee benefit services. These services shall include administration of County employee benefit programs as provided to Court. Court shall provide notice of its intention to leave any County employee benefit program as directed by statute.

2. PAYMENT TERMS

Subject to Section 1.2 of the Memorandum, Court agrees to reimburse County for the services in administering its benefits plans based on direct charges of county staff reported on time sheets.

3. SERVICES

Benefits administered by the County include: a) 457 Plans, b) Vision Plan, c) CALPERS (Including providing a copy of the annual actuarial projection.)

County agrees to exercise best efforts to notify Court of any benefit plan or rate changes within a week of notification to the County.

County agrees to exercise best efforts to notify Court of any change to the Pension Obligation Bond (POB) rate by the May 1st prior to the fiscal year end June 30th.

Court agrees to provide all services to administer these benefits, with the exception of the ACH payment that County shall make.

The estimated County service time per month is six and a half hours.

EXHIBIT B

TREASURER SERVICES

1. TREASURER SERVICES

County shall provide to Court certain treasurer services. These services shall include: a) deposit of fees and fines, b) processing of credit card deposits, c) necessary wire transfers, d) investment of fees and fines revenues deposited with Treasurer, and Administration of the 457 Plan.

PAYMENT TERMS

- 1.1 Court agrees to reimburse County for the treasurer services outlined in this Exhibit B in accordance with direct billing by the Treasurer's Office from its staff time sheets.
- 1.2 Treasurer shall bill for services annually and Court shall reimburse Treasurer annually after receiving the billing.
- 1.3 Estimated monthly charges which include direct and indirect charges by the Treasurer to the Court are:

Daily Deposit Services – 24 Hours per month

NSF Services – 1 Hour per month

Credit Cards – 67 Hours per year

Deferred Comp Plan – 15 hours per year

EXHIBIT C

CUSTODIAL SERVICES

County agrees to provide custodial services at the Yreka Courthouse located at 311 Fourth Street, Yreka, California.

1. County shall bill Court for custodial services using a methodology which allocates costs based on a pro rata basis of net space utilized by the Court, as provided in the Courthouse Transfer Agreement of December, 2008.
2. County and Court agree that Court has 33.63% of net space of the Yreka Courthouse's total net square feet of 28,101 square feet.

EXHIBIT D

CRIMINAL CASE REPORTING AND COLLECTIONS SERVICES

1. PURPOSE

- 1.1 The purpose of this Exhibit D is to outline the collection services performed for the County by the established procedure to assist County's Auditor-Controller with criminal case collections through the Superior Courts Collections Unit Comprehensive Collections Program, as defined below, pursuant to California Penal code Section 1463.007.

2. DEFINITIONS

- 2.1 **Adjustment** – Any change in a debtor's original fine, fee, forfeiture or assessment.
- 2.2 **Assessment** – A charge established by Court that is not a fine, fee, or forfeiture.
- 2.3 **Collections** – The process used by the Revenue Division to facilitate County debt repayment. Superior Court Collection Unit.
- 2.4 **Comprehensive Court Collection Program ("CCCP")** – A broad program pursuant to Government Code Section 1463.007 that allows allowable costs of collections to be reimbursed to the collecting agency.
- 2.5 **Defendant** – The accused person or party in a civil or criminal action.
- 2.6 **Distribution** – The act or process of dividing collected dollars and apportioning them to agencies as appropriate.
- 2.7 **Fee** – a fixed charge established by Court, County or State.
- 2.8 **Fine** – a punitive sum determined by the State or Court.
- 2.9 **Forfeiture** – a sum imposed by the State or Court due to a breach of legal obligation
- 2.10 **Information Technology Department** – A Siskiyou County Department responsible for information network design and maintenance.
- 2.11 **Operating System** – An information system used by either the State or County to carry out the data management functions required for the Comprehensive Collection Program.
- 2.12 **State** – The State of California.
- 2.13 **Trust Account** – An account set up to hold collection proceeds for future distribution.

3. RESPONSIBILITIES

3.1 COURT RESPONSIBILITIES

Court shall:

- a. Collect criminal Fines, Fees, Forfeitures, and Assessments that shall be deposited daily with the Treasurer. Collections made by Court to be held in trust for criminal cases shall be forwarded within one (1) day to the Treasurer with a cash receipt from the Auditor-Controller. The cash receipt, at a minimum, shall include the defendant's name, case number, amount collected and date collected.
- b. Provide County with a monthly report indicating the amount of criminal Fines, Forfeitures, Fees, Assessments and restitution collected, in a format mutually agreed upon, by no later than fifteen (15) days after the end of each month. However, the dissolutions and marriages report shall be submitted to the County no later than the 8th of any month.
- c. Court shall prepare the TC 145 Report, and distribute all Civil Fees as specified in GC 68085(c)(2). If an error is made on a monthly submission, Court will provide supporting documentation, including what the error was. If the error involves cost splits, the documentation will be provided no later than the 15th of the end of the month.
- d. Maintain and preserve all records related to this Exhibit D for the minimum period required by law according to California Government Code Section 26202.
- e. Maintain any and all records necessary to comply with State audit requirements for all distributions.

3.2 COUNTY RESPONSIBILITIES

County shall:

- a. Assume responsibility for investing all criminal Fines, Fees, Forfeitures, and Assessments transferred to County from Court according to State Law, Administrative Office of the Courts, and State Controller Office regulations and guidelines.

b. Distribute criminal Fines, Fees, Forfeitures, and Assessments per code, and submit TC 31 Report to the State Controller's Office as required by GC 68085.5(a) and 68101.

c. Estimated monthly charges by the Auditor to the Court are:

Daily Cash Receipts – 5 hours

Transfer from Trust to Court Restitution –5 Hours

TC 145 Processing – 1 hour per month

CLER for Fees/Fines – 1 hour

3.3 JOINT RESPONSIBILITIES

Court and County agree to:

- a. Designate an employee to act as the contact person for each Party to facilitate the exchange of information and resolve any day-to-day issues for this section.
- b. Meet together monthly or as otherwise agreed to discuss issues of mutual interest and concern that may arise in connection with the purpose of this Exhibit D.
- c. Accept responsibility for receiving, replying to and/or complying with any audit of an appropriate State audit agency that directly relates to the services to be performed under this Exhibit D or to funds to be handled or disbursed hereunder.
- d. Maintain all records and documentation in accordance with State law governing criminal case collections.
- e. Distribute restitution payments to victims pursuant to information provided to the County by the Superior Court Collections Unit.
- f. Auditor-Controller verifies availability of funds, prepares clearing journal, and pass off to Treasurer to forward TC 145 collections via ACH to the Judicial Council.
- g. Safeguard all confidential information shared between Court and County to carry out the purpose of this Exhibit D according to State and Federal law.

- h. Monitor, notify and implement any changes or modifications to State laws and/or regulations affecting Collection and/or payment distribution activities.
- i. Provide Court access to Banner at the courthouse for running of reports for criminal Fines, Fees, Forfeitures, Assessments, Trusts, and Victim Restitution for monthly balancing.

4. FINANCIAL PROVISIONS

- 4.1 County shall reimburse Court for Collections costs incurred for criminal cases. Court will submit monthly invoices based on timesheets for actual salary and benefit costs, and supplies incurred by Court as documented on time records. Court will provide County with an acceptable methodology in calculating overhead to be mutually agreed upon.
- 4.2 Court and County shall maintain an accounting system and supporting fiscal records to comply with State audit requirements related to the services to be performed under this Exhibit D for the Comprehensive Collections Program.



California State Association of Counties
1100 K Street ♦ Suite 101
Sacramento, CA ♦ 95814
916/327-7500



Judicial Council of California
Administrative Office of the Courts ♦ Finance Division
455 Golden Gate Avenue
San Francisco, CA ♦ 94102
415/865-7945

DATE: December 22, 2005

TO: County Administrative Officers
County Auditor-Controllers
Executive Officers of the Superior Courts

FROM: Rubin R. Lopez and Elizabeth Howard, Administration of Justice Staff
California State Association of Counties

Christine M. Hansen, Director and Chief Financial Officer
Administrative Office of the Courts

SUBJECT: Determination of MOE Reduction Pursuant to Government Code (GC) Section
68085.7(b) – **County of Solano**

This memo provides notice of the determination by the Administrative Office of the Courts (AOC) and the California State Association of Counties (CSAC), pursuant to GC 68085.7(d), of the amount of fine and forfeiture revenue maintenance of effort (MOE) reduction your county will receive under the undesignated fees resolution contained in Assembly Bill 139¹ (AB 139).

Background

The AOC and CSAC have implemented some of the key provisions of the legislation, as follows:

- On August 25, 2005, the AOC and CSAC advised all California courts and counties to report to the AOC and CSAC on or before August 31, 2005 the actual gross civil assessments collected, the actual costs deducted from these, and net civil assessments retained for fiscal year (FY) 2003-2004. (See GC 68085.7(c).) A template was provided for this purpose, and the courts and counties certified the amount of civil assessment revenue collected pursuant to Penal Code section 1214.1 in FY 2003-2004. If a court and the county did not agree, each reported separately the amount it believed to be correct. In the intervening months, the AOC and CSAC have reviewed the certified templates in order to determine the amount of the MOE reduction, if any, each county will receive pursuant to AB 139.
- The AOC and CSAC have also considered other information we received, and we responded to courts and counties that requested an adjustment.

¹ Stats. 2005, ch. 74

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- Finally, the AOC and CSAC completed an initial review, pursuant to GC 68085.8, of the impact on individual counties and courts of changes in revenue and payment obligations.

MOE Reduction

As stated above, the AOC and CSAC have arrived at a joint decision regarding the reduction under GC 68085.7(b), in the MOE payment for your county. The MOE reduction amount shown below for your county reflects any adjustments that were made in connection with our review of certified templates and other information we received.

The amount and basis of the reduction, if any, for the **County of Solano** is:

\$ 549,745 *As certified by the county and court. Equity adjustment denied.*

Please note:

- Your county's contribution, if any, toward the amounts specified in GC 68085.6(a) — counties' obligation through fiscal year 2008-09 to make payments to the Trial Court Trust Fund — will be provided in a subsequent communication.
- Counties that did not receive civil assessment revenue in the FY 2003-2004 base year will not see an MOE reduction, nor will they be required to make a contribution toward the stepped-down payments specified in GC 68085.6.
- MOE reductions, when finalized, will be effectuated administratively in conjunction with the State Controller's Office as part of the last two MOE payments in FY 2005-2006. IN ADDITION, the reduction for FY 2005-2006 will apply only if your county transmits to the Trial Court Trust Fund, starting on July 1, 2005, any money received in compliance with the provisions of GC 68085.7(b).
- We will seek legislation that memorializes MOE reductions in GC 77201(b)(2), or another appropriate provision.
- In the meantime, counties remain bound by the MOE payment as defined in current statute (GC 77201(b)(2)) until the amounts are, as part of the multi-step implementation process of AB 139, formally amended in statute.

Next Steps

Review and Comment Period; Equitable Adjustments

As required by the provisions of AB 139, CSAC and the AOC have fulfilled the statutory responsibility to review each county's civil assessment revenue level for FY 2003-2004 and made the determination of the associated MOE reduction. We also are providing courts and counties an opportunity to review the proposed MOE reduction and provide, if desired — **on or before Tuesday, January 17, 2006** — any application for an equitable adjustment based on GC 68085.8 and any supplemental information they would like considered. Applications received after January 17 will not be considered.

December 22, 2005

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AB 233 Fees

Regarding the buyout of the county portion of fees under GC 68085.2 (AB 233 fees) as contained in AB 145 (Stats. 2005, ch. 75), the AOC and CSAC still need to arrive at a joint decision regarding the further reduction in the MOE for your county. A subsequent communication will provide you with the additional buyout amount to take effect this fiscal year as well.

Questions and Concerns

As the process of implementing AB 139 and adjusting the MOE moves forward, the AOC and CSAC will continue to provide support and assistance as necessary as we continue working to resolve any issues that remain.

Again, if you have any questions or concerns about the MOE reduction or require assistance, please contact one of the following individuals below by January 17, 2006.

<u>Administrative Office of the Courts</u>	<u>California State Association of Counties</u>	
Ruben Gomez	Rubin Lopez	Elizabeth Howard
415-865-7686	916-327-7500, Ext. 513	916-327-7500, Ext. 537
ruben.gomez@jud.ca.gov	rlopez@counties.org	ehoward@counties.org

cc: James Keene, Executive Director, California State Association of Counties
Presiding Judges of the Superior Courts
Fiscal Contacts of the Superior Courts
Kathleen Howard, Director, Office of Governmental Affairs, AOC
Eraina Ortega, Manager, Office of Governmental Affairs, AOC
Stephen Nash, Asst. Director of Finance, Office of Budget Management, AOC
John Judnick, Manager, Internal Audit Services, AOC
Ruben Gomez, Manager, Fiscal Administration and Technical Support Services, AOC
Steven Chang, Supervisor; Budget, Data and Technical Support Unit; AOC
Michael Fischer, Attorney, Office of the General Counsel, AOC
Brad Heinz, Attorney, Office of the General Counsel, AOC
Janet Grove, Attorney, Office of the General Counsel, AOC
Patrick O'Donnell, Attorney, Office of the General Counsel, AOC

Certification of FY 2003-04 Civil Assessment Revenue, Offset, and Distribution

1.	Solano	
2.	FY 2003-04 gross collections of civil assessment by court and county (PC 1214.1)	2,356,619.55
3.	Cost offset of FY 2003-04 civil assessment gross revenue	
a.	Actual private collections agency fee from civil assessment revenue	982,255.89
b.	Actual Franchise Tax Board fee from civil assessment revenue	-
c.	Actual court collections program offsets/costs taken:	
1.	Actual costs/offsets	7
2.	Incurred costs after remittance	-
d.	Actual county collections program offsets/costs taken:	
1.	Actual costs/offsets	-
2.	Incurred costs after remittance	-
e.	Other actual costs	-
4.	Total actual offsets/costs	982,255.89
5.	FY 2003-04 net collections of civil assessment by court and county (gross less total actual offsets)	1,374,363.66
6.	Actual court share of net collections	824,618.21
7.	Actual county share of net collections	549,745.45
8.	Are both the court and county certifying the above amounts?	Court only

In compliance with GC 68085.7, I certify that the amounts above accurately represent the collections, offsets, and revenue sharing of FY 2003-04 civil assessment revenue. I also certify to the FY 2003-04 fee, fee methodology, and use of civil assessment revenue data provided in the certification template.

Signature of Presiding Judge/Executive Officer

Superior Court of California County of Solano

Linda G. Ashcraft
Printed Name

Linda G. Ashcraft
Date

9-12-05

Signature of County Administrative Officer

County of

Printed Name

Date

FY 2003-04 CIVIL ASSESSMENT CERTIFICATION METHODOLOGY AND COMMENTS WORKSHEET

1. Describe the outside collection agencies fee and fee methodology used in FY 2003-04. For example, describe the fee amount (e.g., a percentage or a cap up to a maximum amount) and how the fee was applied (e.g., the fee was applied only to civil assessment revenue or to all fine components).

The outside collection agency fee is 25% of the total value of the account for monies actually collected up to a maximum of \$140 per account. The total collection cost of \$982,255.89 for FY03-04 was applied to civil assessment revenue. Therefore the actual civil assessment revenue split between the court and the county was based on net of total cost of collection. The cost of collection that should have been applied to civil assessment revenue should be \$589,154.88 and the civil assessment revenue split should have been \$1,060,478.80 for the court and \$706,985.87 for the county.

2. Describe the Franchise Tax Board fee and fee methodology used in FY 2003-04. For example, describe the fee amount for the collection of court ordered debt and how it was applied.

Not applicable.

3. Describe the methodology used to determine the actual court collections program offsets/costs. For example, describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the court collections programs that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue).

Not applicable.

4. Describe the methodology used to determine the actual county collections program offsets/costs. For example describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the county collections program that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue).

Not applicable.

5. Describe the methodology used to determine other actual offsets/costs. For example, describe the costs included in the offset amount (e.g., salaries, benefits, etc.) and the amount of civil assessment revenue collected by the court collections programs that the cost was applied to (e.g., \$1,000 cost was applied to the gross collection of \$10,000 in civil assessment revenue). If the court or county is unable to separate the costs or offsets by component, provide an explanation and additional details here.

Not applicable.

6. Any other comments. Specify any extraordinary /one-time costs, e.g., program implementation costs along with an explanation here.

Not applicable.

Court Use of FY 2003-04 Civil Assessment Net Revenue

1. Solano		▼
<p>Select yes for each item for which your court used FY 2003-04 civil assessment net revenue. For each item where you indicate yes, briefly explain in row 14.</p>		
2. Judicial benefits	Yes	▼
3. Court facilities	Yes	▼
4. AB 1058 commissioner, family law facilitator and associated costs	No	▼
5. Record storage	No	▼
6. Drug court	No	▼
7. Debt service	No	▼
8. Small claims advisor	No	▼
9. Probation	No	▼
10. Pre-trial service	No	▼
11. Grand jury	No	▼
12. Other court staff and operations (list below)	No	▼
<p>Office Supplies, Printed Library Materials, Office Copier Expense, Printed Forms, Storage Rental, EDP software and supplies, General and Professional Services such as Temporary Help Service, Jury Summons Processing, Armored Car Service, Psychological Evaluation, and Employee Accrued Vacation Pay-off.</p>		
13. Other county staff and operations (list below)	No	▼
<p>list here.</p>		
14. Comments about use of civil assessment net revenue		
<p>Judicial benefits such as auto allowance, management business expenses, vision, dental and life insurance are funded by civil assessment revenue. Court facilities such as minor repairs and maintenance are also funded by civil assessment revenue. Trial Court Trust Fund is not sufficient to cover all TCTF Expenditures therefore, the civil assessment revenue is used to fund items listed in item #12.</p>		



JUDICIAL COUNCIL OF CALIFORNIA

455 Golden Gate Avenue • San Francisco, California 94102-3688
 Telephone 415-865-4200 • Fax 415-865-4205 • TDD 415-865-4272

MEMORANDUM

<p>Date February 22, 2019</p> <p>To Funding Methodology Subcommittee of the Trial Court Budget Advisory Committee</p> <p>From Leah Rose-Goodwin, Manager, Budget Services</p> <p>Subject Workload formula: all funding sources</p>	<p>Action Requested Review and approve recommendation</p> <p>Deadline February 28, 2019</p> <p>Contact Leah Rose-Goodwin (415) 865-7708 phone leah.rose-goodwin@jud.ca.gov</p>
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Background

At its July 12, 2018 meeting, the Funding Methodology Subcommittee (FMS) established an ad hoc work group to identify all funding sources that should be part of the workload formula. Identifying the funding sources that are part of the formula helps identify the gap between each court's allocation and workload formula funding. While this had been done in 2012-2013 when the Workload-based Allocation and Funding Methodology (WAFM) was first developed, it was done under severe time constraints and some of the categories of funds were insufficiently-detailed and had to be set aside for analysis at a later time. As a result, this item was added to the FMS workplan and serves as the basis for the present work.

In addition to identifying all funding sources, the chair of the Trial Court Budget Advisory Committee later expanded the charge of the group to identify a different methodology for computing the Operating Expenses and Equipment (OE&E) factor in the workload formula. Certain categories of funds are designated as part of the OE&E computation, but the current methodology for calculating OE&E is based on a three-year average of prior year expenditures and therefore does not anticipate nor adjust quickly for changes in expenses in current or future years. As part of the ad hoc subcommittee's work on identifying all funding sources, the group

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identified this issue as needing resolution and the chair of TCBAC asked that they bring a recommendation forward for FMS' consideration.

Methodology and Analysis

Principles for Review

The work group's recommendations are based on work conducted in late 2018 and early 2019. The group first reviewed and approved a set of principles to use for determining whether a revenue stream should be counted as part of the workload formula or excluded from the calculation (Attachment A). In sum, the principles indicate that revenue streams that are tied to workload measured with the Resource Assessment Study (RAS) model and/or subsequent calculations in the workload formula are considered core business operations and should be included. On the other hand, revenue streams that are, for example, one-time in nature, pass-through, or not associated with RAS/workload should not be included.

The draft principles were shared with a few other courts for their review. There was general agreement concerning the principles and no changes or feedback suggested, so the ad hoc subcommittee agreed to adopt the principles and use them as the lens through which to review the various account codes that make up the funding sources for workload-based allocations.

Review of Accounts

The ad hoc subcommittee met in early December to review over one hundred different general ledger (GL) account codes and to code them as either included or excluded using the principles as criteria. After they completed their review, there remained about twenty GL codes that could not be classified without additional information. The subcommittee asked a small group of trial court financial officers and managers from the Superior Courts of Los Angeles, Orange, Monterey, and Contra Costa to evaluate these accounts and assist the subcommittee with making a recommendation. The Judicial Council's Branch Accounting and Procurement Division provided data from the Phoenix Financial system that showed more granular data about the courts that were using the GL accounts in question and any additional account descriptors that might indicate the purpose of the account, to help the subcommittee with their assessment.

The financial officers met several times in late December and early January to review the accounts in question and make their recommendations to the ad hoc group. The officers reviewed expenditures in the GLs in question for 2016-17 and 2017-18 by court. In cases where a GL was used for a mix of expenditures, some of which were determined to count towards the workload formula and some of which were not, the recommendation was that if greater than 75% of the revenue in a particular category was deemed "countable" then the GL in total (all of the revenue)

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should be included and vice versa for those GLs where less than 75% of the revenue counted towards the formula.

The subcommittee supported this approach and then finalized their work in late January. The full list of account codes that were reviewed is attached at Appendix B, along with the determination as to whether the account should be included or excluded from the workload funding formula.

Proposal for Standardization

In addition to the subcommittee's recommendation for categorizing the GLs, the subcommittee recommends that general ledger account usage be standardized. There was wide variation in how the courts use the GLs, most significantly in the categorization of fee and non-fee revenue. Improved standardization will provide a better basis for data analytics on financial data in addition to increasing confidence in the workload formula and its calculation of funding levels. The subcommittee recommended that this work be done in partnership with the Court Executives' Advisory Committee and the Court Financial Officers' group and be completed in 2020-21. At that point, the criteria used to evaluate the GLs with mixed expenditures (the "75% rule" described above) could be dropped because ostensibly 100% of revenue in a particular GL would either be in or out of the funding model. This would result in more clarity and consistency in the workload formula calculation.

Apply Consumer Price Index Adjustment to Operating Expenses and Equipment

The current Operating Expenses and Equipment calculation is based on an average of the last three years of actual costs. As operational costs increase due to rising inflation and general cost increases, courts may be in a position to have to front the funds for goods and services that have become more costly. The committee recommends that the estimated California statewide Consumer Price Index (CPI) be applied to the OE&E estimate. The calculation will be done with fiscal year data from the state Department of Finance. Estimates will be used if complete data are not available at the time that allocation decisions are made and then adjusted as needed the following year.

The subcommittee recommends that the OE&E accounts be given the same level of review as the expenditure accounts and suggests that FMS add this item to the workplan for the coming year. The subcommittee expressed its willingness to be delegated this responsibility if the chair wishes.

Recommendations

The Funding Methodology Subcommittee should:

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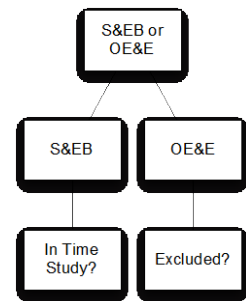
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1. Adopt the recommendations of the ad hoc group to include or exclude the GL accounts that were reviewed as detailed in Attachment B, effective with 2019-20 allocations;
2. Starting in 2019-20 with the goal of being effective in 2020-21, TCBAC should lead a statewide effort in partnership with CEAC to standardize the usage of GLs so that courts are using the account codes in a uniform and consistent manner;
3. Approve use of a statewide CPI factor to be applied to the Operating Expenses and Equipment calculation starting for 2019-20 allocations; and
4. Add to the FMS workplan a review of all accounts that are used in the computation of the Operating Expenses and Equipment factor.

Principles for determining whether a revenue stream should be counted as part of WAFM

8 September 2018

1. **Inclusions:** If the underlying expenses (staff or OE&E) were included in the RAS time study and/or subsequent WAFM calculations, the associated revenue stream is presumptively WAFM-related.
 - a. Consider whether the revenue stream is more appropriately associated with staff costs, or non-staff costs.
 - b. If staff costs,
 - i. Were the staff who perform the function captured by the Time Study (e.g., temp workers and contract workers were not captured)?
 - ii. Or, is this a regular, core operation of all courts? Is it a discretionary program that can be discontinued (e.g., grant funded)?
 - c. If OE&E costs:
 - i. Are the OE&E expenses captured by the OE&E calculations that are used by WAFM to determine the OE&E ratio (i.e., as determined by the WAFM working group and updated by the Funding Methodology Subgroup of TCBCAC)?
2. **Exclusions:** WAFM is for normal, status quo, core business operations. Revenue should be excluded if it is associated with:
 - a. Discretionary or limited-time programs or services, especially those that are provided only because the funding is available (e.g., particularly grant-funded programs, programs off-set by specialized or restricted funding);
 - b. Costs of providing discretionary, non-mandated services that:
 - i. Were not measured in RAS;
 - ii. Have a separate, off-setting revenue stream.
 1. Examples include fee revenue from electronic public access (per CRC 2.506) and telephonic appearances (per CCP 367.6).
 - c. Costs associated with activities that were not captured in the RAS Time Study and/or not included in the WAFM model (e.g., interpreter staff; court reporter staff in non-mandated areas).
 - d. Costs of improvements or innovations (e.g., IMF-funded programs);
 - e. Funding for extraordinary circumstances (e.g., extraordinary homicide case reimbursement, civil coordination);
 - f. Pass-through funding (e.g., funding provided to some courts for their local CASA program).



2016-17 TRIAL COURT REVENUES

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name	Description	Legislation	Amount	Recommendation	
821120	OTHER COURT RETAINED LOCAL FEES	Used to record revenue related to all miscellaneous fees.	1,288,050	No	
821121	LOCAL FEES	Revenues are mostly from collections activity, traffic payment plan revenue, and exoneration.	640,948	No	
821122	LOCAL FEES	Revenues are mostly from collections activity and exoneration.	1,611,230	No	
821123	LOCAL FEES	Wide array of uses for this GL including public access fees, county MOU, administrative reimbursements collections, transcripts, and diversion fees.	1,328,243	No	
821124	LOCAL FEES	Revenues mainly from forfeiture set aside, installment fees, expungement, diversion program fee, and collections.	1,306,791	Yes	
821125	LOCAL FEES	Excluded revenues are from collections and pass-thru collections for the County. Included revenues are primarily from DMV prior history fee and expungement.	551,638	Yes	
821126	LOCAL FEES	Revenue primarily from Installment Fee in Yolo; RAS related workload.	157,323	Yes	
821127	LOCAL FEES	Revenue primarily from exoneration, Alcohol & Drug, and dollar-for-dollar fees.	21,549	Yes	
821128	LOCAL FEES	Revenue primarily from Probation Juvenile Automated Indexing (JAI) in LA. Non RAS workload.	359,245	No	
821129	LOCAL FEES	Revenue mainly from collection cost recovery (exclude consistent with FMS recommendation for GLs 821201 and 821202).	2,002,022	No	
821130	LOCAL FEES	Revenue primarily from convenience fees in Ventura.	564,450	Yes	
821131	LOCAL FEES	Revenue primarily from merchant fees and diversion program fees in Marin & San Luis Obispo.	130,274	Yes	
821132	LOCAL FEES	Revenue primarily from traffic payment plan revenue (\$35 per VC 40510.5 - discretionary service to reimburse for administrative costs).	885,718	No	
821133	LOCAL FEES	Revenue primarily from the sale of forms and transcript reimbursements; printing and transcripts are included in the OE&E calculation for WAFM.	65,622	Yes	
821134	LOCAL FEES	Revenue is primarily from Sheriff service of process.	111,606	No	
821135	LOCAL FEES	87% included in WAFM in FY 2017-18 which is made up of DMV prior history fee revenue and restitution. Amnesty revenue will go away as the program concluded in FY 16/17 (note change in % total from 16/17 to 17/18).	351,373	Yes	

2016-17 TRIAL COURT REVENUES

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name	Description	Legislation	Amount	Recommendation	
821136	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).	24,761	No	
821137	LOCAL FEES	Revenue mainly from public access in Alameda.	69,291	No	
821138	LOCAL FEES	Revenue mainly from restitution commission; RAS related workload.	249,357	Yes	
821139	LOCAL FEES	Revenue mainly from deferred entry judgment and fax filing fees.	4,589	No	
821140	LOCAL FEES	Revenue mainly from collection cost recovery (exclude consistent with FMS recommendation for GLs 821201 and 821202).	180,619	No	
821141	LOCAL FEES	Revenue is primarily from collections cost recovery and restitution.	31,450	Yes	
821142	LOCAL FEES	Discretionary services.	4,646	No	
821145	LOCAL FEES	Copy fees.	351	Yes	
821146	LOCAL FEES	Revenue is primarily from restitution.	918	Yes	
821148	LOCAL FEES	Non-mandated related to public access; discretionary services.	319,703	No	
821150	LOCAL FEES	Discretionary services. Revenue will decrease when E-filing goes live.	15,535	No	
821152	LOCAL FEES	Non-mandated related to public access; discretionary services.	370,001	No	
821153	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).	26,848	No	
821154	LOCAL FEES	Employee costs, in general, are captured in RAS	4,552	Yes	
821155	LOCAL FEES	Non-mandated , discretionary services that are not measured in RAS.	21,220	No	
821156	LOCAL FEES	Collection program costs not included in RAS (consistent with FMS exclusion of GLs 821201 and 821202).	574,747	No	
821160	PRE-AB145	May be used in lieu of individual local fee revenue accounts to record revenue received from fees assessed prior to AB145 and January 1, 2006.	103,983	Yes	
821161	FC3112 CUSTODY INVESTIGATIONS	Used to record revenue received for reimbursement of costs for the investigation or evaluation of a parent, guardian or other person in a custody case. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	303	Yes	

2016-17 TRIAL COURT REVENUES

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name	Description	Legislation	Amount	Recommendation	
821162	FC3153 CAC-CHILD	Used to record revenue received for reimbursement from the parties for the costs associated with the counsel appointed by the court to represent a child. This would not include reimbursement received from the Judicial Council. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	FC 3153	88	No
821163	FC9002 STEP PARENT ADOPTION INVESTIGATION	Used to record revenue received for reimbursement from the prospective adoptive parent for costs incurred for the investigation required by Family Code Section 9001. Effective January 1, 2008, fees assessed pursuant to this code should be included on the TC145 and will be returned to the court through the monthly allocation.	FC 9002		Yes
821170	GC26840.3 MARRIAGE LICENSE CONCILIATION	Used to record the portion of revenue collected from marriage license fees to support the costs of maintaining the family conciliation court or conciliation & mediation services.	GC 26840.3	780,145	Yes
821171	GC 72712 COURT REPORTER	Used to record revenue received from the city fee's and fines for costs incurred for court reporter salary and benefits for Los Angeles Superior Court.	GC 72712	11,068,685	Yes
821172	GC68150h PUBLIC ACCESS CIVIL IMAGES / E-FILINGS	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to civil images and electronic filings.	GC 68150h CRC 2.506	6,416,158	No
821173	GC68150h PUBLIC ACCESS CRIMINAL NAME SEARCH	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to criminal name search.	GC 68150h CRC 2.506	7,487,057	No
821174	GC68150h PUBLIC ACCESS TRAFFIC TRANSACTION FEE	Used to record revenue received for fees imposed to cover the costs of providing public access to the courts electronic records, specifically related to traffic transactions.	GC 68150h CRC 2.506	1,837,371	No
821180	PC1203.4 & PC1203.41 CHANGE OF PLEA	Used to record revenue received from petitions for a change of plea or expungement of record to support the costs of services rendered.	PC1203.4 PC1203.41	868,058	Yes

2016-17 TRIAL COURT REVENUES

OTHER FINANCING SOURCES - LOCAL FEES					
Account Number and Name		Description	Legislation	Amount	Recommendation
821181	PC1205d INSTALLMENT FEE	Used to record revenue received for administrative costs for processing an accounts receivable on installment payments.	PC 1205(d)	10,414,294	Yes
821182	PC1205d STAY FEE	Used to record revenue received for administrative costs for processing an accounts receivable that is not paid in installments.	PC 1205(d)	332,841	Yes
821183	PC1463.22a INSURANCE CONVICTION	Used to record the portion of revenue collected from Vehicle Code 16028 convictions in order to defray costs in administering sections 16028, 16030 & 16031 of the Vehicle Code.	PC 1463.22(a)	819,071	Yes
821190	VC11205.2 TRAFFIC SCHOOL	Used to record revenue received from traffic violators in order to defray the costs incurred by the agency for monitoring reports and services provided to the court.	VC11205.2	2,144,831	No
821191	VC40508.6 DMV HISTORY/PRIORS	Used to record revenue received from assessments for the costs of recording and maintaining a record of the defendant's prior convictions for violations of the Vehicle Code.	VC 40508.6	4,752,673	Yes
821192	VC40611 PROOF OF CORRECTION	Used to record revenue received from fees for violations where proof of correction was submitted.	VC 40611	51,463	Yes
821194	CRC 10.500 PUBLIC ACCESS-DUPLICATION AND RETRIEVAL	Used to record revenue received for fees imposed to cover the costs of duplication, search and review related to providing public access to the courts records as specified in California Rules of Court 10.500.	CRC 10.500	4,974	Yes
821195	GC 26746 DISBURSEMENT PROCESSING FEE	Used to record revenue received pursuant to GC26746 for each disbursement of money collected under a writ of attachment, execution, possession, or sale.	GC 26746	562	Yes
821196	GC 26731 SERVICE OF PROCESS FEE	Used to record revenue received pursuant to GC26731 for fees collected by the Marshal's office related to service of process activity.	GC 26731	10,980	No
821197	CRC 3.670 TELEPHONIC APPEARANCE	Used to record revenue received for teleconferencing of court appearances directly provided by the court. Note the amount recorded to this account is the courts portion of the fee collected.	CRC 3.670	354,214	No
Subtotal				60,722,418	

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Funding Methodology Subcommittee

(Action Item)

Title: Joint Facilities Ad Hoc Subcommittee Recommendation regarding Unfunded Facilities Costs

Date: 2/8/2019

Contact: Angela Guzman, Budget Manager, Budget Services
916-643-8041 | angela.guzman@jud.ca.gov

Issue

The Joint Facilities Ad Hoc Subcommittee was tasked with evaluating whether to include unfunded facilities costs that are outside of the purview of the Court Facilities Advisory Committee and the Trial Court Facilities Modification Advisory Committee in the Workload-based Allocation and Funding Methodology (WAFM).

Background

The Funding Methodology Subcommittee (FMS) discussed how to include unfunded costs for facilities in WAFM during their meeting on July 12, 2018. The committee asked Judicial Council staff to provide information regarding what facilities-related costs are already factored into WAFM. In addition, staff was asked to identify existing lease expenditures for the trial courts.

The requested information was provided to the subcommittee at its October 18, 2018 meeting, and the following item from its work plan for 2018-19 was discussed:

5. *Evaluate whether and/or how to include unfunded costs for facilities – courthouse construction, maintenance and modifications, including a review of the WAFM adjustment request from Stanislaus Superior Court, submitted on January 16, 2018.*

During the discussion the FMS determined that a joint working group of the Trial Court Budget Advisory Committee and the Trial Court Facilities Modification Advisory Committee should be formed to provide a recommendation as to whether to include unfunded facilities costs that are outside of the purview of the Court Facilities Advisory Committee and the Trial Court Facilities Modification Advisory Committee in WAFM. Those costs would be court funded leases and court funded debt service payments.

To inform the decision-making process, the ad hoc subcommittee requested that the following information, which was previously provided to the FMS, be updated:

Attachment A: Local Agreements Regarding Debt Service Obligations

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Funding Methodology Subcommittee

Attachment B: TCTF Funded Leases

Recommendation

The Joint Facilities Ad Hoc Subcommittee recommends the following:

1. The FMS should provide consideration of costs identified in Attachment A as debt service obligations to be funded by civil assessment revenue. This spreadsheet reflects a total of \$3.885 million in obligations per annum.

The courts that entered into these obligations, did so prior to several policy decisions made at the state level, which have significantly reduced civil assessment revenues collected. Civil assessments had been a reliable source of revenue prior to these policy decisions.

2. The FMS should not provide consideration of commitments of operational funding to lease facilities through the Court Funded Request (CFR) process as identified in Attachment B.

The courts who opted to enter into leases through the CFR process did so knowingly and the CFR policy (Attachment C) explicitly states that by signing the application, the court certifies that it has the ability to meet the financial commitments associated with the request, the committee does not recommend that these obligations be considered in the WAFM.

Provided this recommendation is approved, the Stanislaus Court WAFM Adjustment Request submitted on January 16, 2018, which requests adjustment in WAFM based on a court funded lease/rent, would become invalid.

LOCAL AGREEMENTS REGARDING DEBT SERVICE OBLIGATIONS

Court	Response	Description	Key cites from contract	Civil assessment obligation
Alameda	Agreement Provided (2014 Intra-Branch Agreement, JC-court, plus 2017 First Amendment)	East County Courthouse Construction. Commencing after 6/20/2014, distributions to court from Trial Court Trust Fund (TCTF) to be reduced by total cumulative sum of \$20,800,000. Starting in fiscal 2014-15, annual distributions to court from TCTF to be \$2M less than otherwise owed, and court required to pay an annual \$2M contribution of civil assessment revenues towards East County Courthouse construction. Agreement amended 6/2/2017 to provide court's civil assessment contribution would be reduced in 2017-18 by \$650,000 to \$1,350,000. Commencing in fiscal 2018-19, annual contribution (of \$2M) to resume and increase by a cumulative total of \$650,000 to be paid through fiscal 2021-22 in amounts/times of court's choosing (i.e., a cumulative total of \$650K above the annual \$2M contribution must be repaid by 2021-22).	Secs. 2.1, 3.1, 3.2 and First Amendment at Recitals B and D and sec. 2.	\$2,000,000/year, except that for fiscal 2017-18 amount reduced to \$1,350,000. In subsequent fiscal years through fiscal 2021-22, amount owed reverts to \$2M/year plus whatever portion of the cumulative total of \$650K (i.e., the portion of the \$2M unpaid in 2017-18) court chooses to pay each year (i.e., entire \$650K loan must be paid by end of fiscal 2021-22).
Alpine	No Response			0
Amador	No Agreement Provided			0
Butte	No Response			0
Calaveras	No Agreement Provided			0
Colusa	No Agreement Provided			0
Contra Costa	No Agreement Provided			0
Del Norte	No Response			0
El Dorado	No Agreement Provided			0
Fresno	Agreement Provided (2005 MOU between court and county)	Court Facilities and Related Needs (Selma Courthouse and related tenant improvements, new juvenile delinquency court). Net revenues collected in the amount of \$250 per civil assessment minus allowable costs provided pursuant to PC sec. 1463.007 to be deposited in Civil Assessment Trust Fund (CATF) established in 2000 agreement between county and court. Funds in CATF to be distributed monthly to county (for costs of tenant improvements, lease payments for Selma Courthouse and monthly debt service on bonds that financed the Juvenile Courthouse) and to court. In addition to this distribution from the CATF, revenue from civil assessments in excess of \$250 per CA shall be the property of the court to be used exclusively by it for its facility needs as determined by the court in its sole discretion.	Secs. 1 & 2.	TBD (annual amounts of civil assessment funds committed to court not set forth in MOU). Term of agreement is not to exceed 20 years (sec. 2(d)), i.e., is not to extend past 2025.
Glenn	No Agreement Provided			0
Humboldt	No Agreement Provided			0
Imperial	No Agreement Provided			0
Inyo	No Response			0
Kern	No Agreement Provided			0
Kings	No Agreement Provided			0
Lake	No Response			0
Lassen	No Agreement Provided			0
Los Angeles	No Response			0
Madera	No Agreement Provided			0
Marin	Agreement Provided (2016 MOU between court and county)	No Obligation		0

LOCAL AGREEMENTS REGARDING DEBT SERVICE OBLIGATIONS

Court	Response	Description	Key cites from contract	Civil assessment obligation
Mariposa	No Agreement Provided			0
Mendocino	No Agreement Provided			0
Merced	Agreement Provided (2005 MOU between county and JC)	Merced Courthouse Construction. County has sole responsibility for courthouse construction, with court to provide civil assessment funds as established in MOU Exhibits C and E-1 or E-2. All civil assessments provided by court must be used to repay county's bonded indebtedness or as permitted in the MOU, including \$310K/year (for a period not to exceed December 2038) to repay the county's bonded indebtedness (i.e., apparently the court itself may not use any civil assessment funds).	Secs. 2.7, 4.1; Exh. C (2003 Trial Court Facilities Agreement between court and county) at sec. 4.); Exhs. E-1 (summary sheet entitled "New Proposed Justice Facility With State Funding") & E-2 ("New Proposed Budget Facility w/o State Funding")	\$310,000 annually until no later than December 2038
Modoc	No Response			0
Mono	No Agreement Provided			0
Monterey	Document Provided ("Superior Court of California Request for Court-Funded Project (non-CCF)")	Request document is a form (OCCM2 revised 10/23/08) with spaces to describe "project funding", "source of funding", "nature of project", "scope of work", court operations the project will serve, costs, schedule, etc. Under item #1, "project funding", a \$50K/year payment is described. Specifically, the state is to pay this sum to offset the cost to the county of a juror shuttle service between AMTRAK station parking lot and the court's administrative building parking lot. Following item #2, "source(s) of funding" is the language "civil assessment revenue". The annual \$50k payment is to be made pursuant to "an agreed-upon cost sharing arrangement described in the Transfer Agreement Between the Judicial council of California...and the County of Monterey, for the Transfer of Responsibility for Court Facility--Salinas Courthouse North Wing".	Form item Nos. 1, 2, 4 and 5	\$50,000 annually, in arrears, due June 15 starting June 15, 2009 and lasting for so long as parking at the court & county facilities remains restricted due to ongoing construction/placement of modulars. (Amount for 2008-09 is pro-rated sum of \$4,166.67.)
Napa	Agreement Provided (Attachment C to unidentified MOU between "County and the Courts")	No Obligation. Civil assessment funds under Penal Code sec. 1214.1 (among other funds)--"to the extent not prohibited by law"--to be deposited in the Trial Court Operations Fund "for the exclusive use of Court".		0
Nevada	No Agreement Provided			0
Orange	No Agreement Provided			0
Placer	No Agreement Provided			0
Plumas	No Agreement Provided			0
Riverside	No Agreement Provided			0

LOCAL AGREEMENTS REGARDING DEBT SERVICE OBLIGATIONS

Court	Response	Description	Key cites from contract	Civil assessment obligation
Sacramento	Agreement Provided (Certification of FY 2003-04 Civil Assessment Revenue, Offset and Distribution)	No Obligation. The Certification sets forth the county's calculation of gross collections of civil assessments by the court and the county, the cost of obtaining those collections, and the court's net share of collections & the county's net share of collections, respectively. The Certification does not address the use of civil assessment funds that are collected or the account(s) into which the civil assessment funds are to be deposited.		0
San Benito	No Agreement Provided			0
San Bernardino	No Agreement Provided			0
San Diego	No Response			0
San Francisco	No Response			0
San Joaquin	No Agreement Provided			0
San Luis Obispo	No Response			0
San Mateo	No Agreement Provided			0
Santa Barbara	No Response			0
Santa Clara	Agreement Provided (2017 First Amendment to Intra-Branch Agreement between JC and the court regarding court's financial commitments to the Family Justice Center Project)	Family Justice Center Construction. The court must contribute \$1.5M in civil assessment funds annually to the Immediate and Critical Needs Account (ICNA) from fiscal year 2009-10 through 2042-43 to fund the construction of the Family Justice Center.	Sec. 3	\$1,500,000 (reduced from \$2,500,000 Civil Assessment Contribution called for in original intra-branch agreement because the amount of net civil assessments collected had substantially declined over the term of the original agreement). Term: fiscal 2009-10 through fiscal 2042-43.
Santa Cruz	Agreement Provided (2007 Agreement between the county and the court for AB 139 Civil Assessments/Equity Adjustment for Financing Watsonville Court Facility)	Watsonville Superior Court Construction. Passage of A.B. 139 cut off the county's access to civil assessment funds that had previously been used to finance the county's debt service for the Watsonville court. The Agreement was necessary to allow the county to tap the court's civil assessment funds to offset the county's debt service for tenant improvements for the Watsonville court. The Agreement requires the court to transfer \$75K annually (from fiscal year 2007-08 through 2035-36) to the county for this purpose.	Secs. 1 & 4	\$75,000 annually from fiscal 2007-08 through fiscal 2035-36
Shasta	Agreement Provided (2006 MOU between county and court)	No commitment. MOU was superseded by a subsequent transfer agreement.		No commitment
Sierra	No Response			0
Siskiyou	Agreement Provided (MOU between court and county)	No Obligation		0
Solano	Agreement Provided (Certification of FY 2003-04 Civil Assessment Revenue, Offset and Distribution)	No Obligation. The Certification sets forth the county's calculation of gross collections of civil assessments by the court and the county, the cost of obtaining those collections, and the court's net share of collections & the county's net share of collections, respectively. The Certification does not address the use of civil assessment funds that are collected or the account(s) into which the civil assessment funds are to be deposited.		0
Sonoma	No Response			0
Stanislaus	No Response			0
Sutter	No Agreement Provided			0

LOCAL AGREEMENTS REGARDING DEBT SERVICE OBLIGATIONS

Court	Response	Description	Key cites from contract	Civil assessment obligation
Tehama	No Response			0
Trinity	No Response			0
Tulare	No Response			0
Tuolumne	No Agreement Provided			0
Ventura	No Agreement Provided			0
Yolo	No Response			0
Yuba	No Response			0
				3,885,000

TCTF-Funded Leases

Projections are for rent only unless otherwise noted; TI costs and utilities paid directly to service provider are NOT included.

Version: Submission to Budget Services on 1/8/19

Line	Lease ID	Bldg ID	Lease Name	Sq. Ft.	Original Lease Commencement Date	Current Term Start	Current Term End	Fund	Court	Total 18/19	Updates to FY 18/19 Total 10/5/18	Updates to FY 18/19 Total 1/3/19	Use	Notes
1	0565L	07-G1	SC-Contra Costa, Contra Costa Records & Training	-	02/01/08	02/01/18	01/31/24	0932	07	\$ 336,083	\$ 350,096	\$ 356,017	Records storage, administration, and training	Court funds 81.25% of expenses.
2	x0061L	10-R1	SC-Fresno-CF-Casablanca	26,035	03/01/08	03/01/18	02/18/21	0932	10	\$ 334,574	\$ -	\$ -	Court / record storage / admin offices	
3	0367L	11-C1	SC-Glenn- CF- Resource Center	4,972	05/01/10	1/1/2017	12/31/20	0932	11	\$ 110,378	\$ -	\$ -	Administration	Rent paid with CCFs per agreement between JCC, court and county
4	x0081L	13-F1	SC-Imperial-CF-EI Centro Court, Valley Plaza	18,200	03/16/09	03/16/09	03/15/19	0932	13	\$ 292,007	\$ 292,007	\$ 293,513	Traffic Court, offices	Court will allow lease to terminate as of 3/15/19. Added operating expense reconciliation.
5	0687L	14-C1	SC-Inyo, CF-Bishop CH, City Hall Expansion	884	11/01/15	11/01/18	10/31/19	0932	14	\$ 13,545	\$ -	\$ -	Administration	
6	x0620L	15-D2	SC-Kern, CF-1022 12th Ave	7,680	01/01/16	01/01/16	12/31/20	0932	15	\$ 142,430	\$ 142,430	\$ -	Courtrooms, holding cells, offices, ancillary space	
7	x0090L	15-K1	SC-Kern-CF-3131 Arrow Street	20,400	01/12/09	01/12/09	01/31/19	0932	15	\$ 547,332	\$ -	\$ -	Traffic Court	
8	0139L	17-E1	SC-Lake, CF-Gateway Business Park	-	12/08/08	12/01/17	11/30/22	0932	17	\$ 28,913	\$ -	\$ -	Records storage	
9	x0743L	19-AP4	SC-Los Angeles, CFP-Santa Monica Civic Auditorium Parking	-	07/01/17	07/01/18	06/30/19	0932	19	\$ 270,864	\$ -	\$ -	Parking	
10	x0677L	19-BF1	SC-Los Angeles, CFP,CF-312 No Spring St	n/a	12/03/18	12/03/18	12/31/28	0932	19	\$ 71,010	\$ -	\$ 54,721	Parking	Occupancy of partial premises commenced 9/5/17. Court funds parking after full occupancy of premises effective 12/3/18.
11	x0198L	19-M1	SC-Los Angeles, CF-Central Civil West Court	TBD	06/01/16	06/01/16	05/31/19	0932	19	\$ 1,437,249	\$ -	\$ -	Courthouse: administration, family law facilitator, family law clerk's office that only handles family law cases involving child support enforced by the LA County Child Support Services Department	Prior lease for premises commenced 1/11/1991.
12	0047L	22-B1	SC-Mariposa, CF-Superior Court Vault 9	n/a	02/01/07	08/01/18	07/31/21	0932	22	\$ 2,431	\$ -	\$ -	Storage	
13	0050L	22-B2	SC-Mariposa, CF-Superior Court Vault 5	n/a	02/01/07	08/01/18	07/31/21	0932	22	\$ 2,431	\$ -	\$ -	Storage	
14	0639L	22-B3	SC-Mariposa, CF-Superior Court Vault 10	n/a	08/01/14	08/01/18	07/31/21	0932	22	\$ 2,431	\$ -	\$ -	Storage	
15	x0223L	22-C1	SC-Mariposa, CF-Main Building	1,583	05/01/09	05/01/17	04/30/19	0932	22	\$ 20,471	\$ -	\$ -	Administration Offices	Lease Extension in process.
16	x0224L	22-C2	SC-Mariposa, CF-Self Help Ctr	728	05/01/09	05/01/17	04/30/19	0932	22	\$ 4,798	\$ -	\$ -	Self Help	Lease Extension in process.
17	0469L	24-F2	SC-Merced, CF-810 W Main, Merced Court Storage	4,300	01/16/12	01/16/17	01/15/19	0932	24	\$ 34,933	\$ -	\$ 34,998	Storage	Lease Extension in process.
18	0678L	24-H1	SC-Merced, CF-720 W 20th St, Traffic Court	5,117	10/19/15	10/19/15	10/31/20	0932	24	\$ 65,702	\$ -	\$ -	Traffic Court	
19	0609L	29-B1	SC-Nevada, CF-Joseph Center	1,624	07/01/14	07/01/14	06/30/19	0932	29	\$ 31,567	\$ -	\$ -	Courtroom	
20	x0364L	30-E3	SC-Orange, CF-Newport Beach Parking License2	-	06/01/10	06/01/18	05/31/19	0932	30	\$ 38,352	\$ -	\$ -	Parking	Previous lease commenced 11/1/07.
21	x0756L	30-L1	SC-Orange, CF-520 West South, Homeless Court	-	05/03/17	05/03/17	ongoing	0932	30	\$ 480	\$ -	\$ 380	Homeless Court	Rent based on actual use of premises. Court has lessened use of premises recently.

Line	Lease ID	Bldg ID	Lease Name	Sq. Ft.	Original Lease Commencement Date	Current Term Start	Current Term End	Fund	Court	Total 18/19	Updates to FY 18/19 Total 10/5/18	Updates to FY 18/19 Total 1/3/19	Use	Notes
22	0354L	31-K1	SC-Placer, 4075 Cincinnati Avenue	10,980	06/15/10	08/01/18	07/31/21	0932	31	\$ 100,225	\$ -	\$ -	Storage	
23	0789L	33-E1	SC-Riverside, CF-Palm Spring Courts, Swing Space	3,209	02/01/19	02/01/19	01/31/21	0932	33	\$ 120,704	\$ 120,704	\$ 20,056	Temporary Space	Rent payments. Commencement and term dates are estimated.
24	0789L	33-E1	SC-Riverside, CF-Palm Spring Courts, Swing Space		02/01/19	02/01/19	01/31/21	0932	33			\$ 9,998	Temporary Space	One-time lease execution costs. Commencement and term dates are estimated.
25	0789L	33-E1	SC-Riverside, CF-Palm Spring Courts, Swing Space		02/01/19	02/01/19	01/31/21	0932	33			\$ 987	Temporary Space	Administration Management Fees. Commencement and term dates are estimated.
26	0789L	33-E1	SC-Riverside, CF-Palm Spring Courts, Swing Space		02/01/19	02/01/19	01/31/21	0932	33			\$ 85,452	Temporary Space	Tenant Improvement Costs. Commencement and term dates are estimated.
27	0792L	33-E1	SC-Riverside, CF-Palm Spring Courts, Self Help	2,816	02/01/19	02/01/19	01/31/21	0932	33	\$ 98,801	\$ 98,801	\$ 17,600	Self Help	Rent payments. Commencement and term dates are estimated.
28	0792L	33-E1	SC-Riverside, CF-Palm Spring Courts, Self Help	2,816	02/01/19	02/01/19	01/31/21	0932	33			\$ 10,000	Self Help	One-time lease execution costs. Commencement and term dates are estimated.
29	0792L	33-E1	SC-Riverside, CF-Palm Spring Courts, Self Help	2,816	02/01/19	02/01/19	01/31/21	0932	33			\$ 866	Self Help	Administration Management Fees. Commencement and term dates are estimated.
30	0792L	33-E1	SC-Riverside, CF-Palm Spring Courts, Self Help	2,816	02/01/19	02/01/19	01/31/21	0932	33			\$ 63,694	Self Help	Tenant Improvement Costs. Commencement and term dates are estimated.
31	0022L	33-I1	SC-Riverside, MX-Moreno Valley	16,872	10/03/01	07/01/17	06/30/20	0932	33	\$ 19,944	\$ -	\$ -	Janitorial only (JCC pays rent for the space)	Lease assigned to JCC 10/18/2005.
32	0475L	33-O1	SC-Riverside, CF-3535 10th Street	9,267	10/15/12	11/01/17	10/31/22	0932	33	\$ 222,913	\$ 222,913	\$ 223,866	Self Help	Projection increased due to increased utility costs/usage.
33	0443L	34-A3	SC-Sacramento-CF-800 H St	9,488	08/01/11	01/01/15	12/31/21	0932	34	\$ 19,650	\$ -	\$ -	Administration	
34	0368L	34-A6	SC-Sacramento, CF-901 H Street	7,220	11/01/10	11/01/14	12/31/21	0932	34	\$ 5,925	\$ -	\$ -	Admin. Fin, Payroll, HR	
35	0019L	34-B1	SC-Sacramento-CF-Sacto, Records Center	36,418	11/05/96	07/01/14	06/30/19	0932	34	\$ 260,290	\$ -	\$ -	Records storage	
36	0160L	34-E1	SC-Sacramento, William Ridgeway Family Relations Court	164,981	11/01/99	11/01/99	10/31/19	0932	34	\$ 114,294	\$ -	\$ -	Janitorial only (JCC pays rent for the space)	
37	0713L	34-J1	SC-Sacramento, MX-Hall of Justice	31,195	09/19/16	09/19/16	09/18/24	0932	34	\$ 106,954	\$ -	\$ -	Administration	Expansion of space to add 11,069 sq feet. Increase of rent projected in 2020.
38	0373L	36-F3	SC-San Bernardino, MX-Rancho Cucamonga, Juv.Traf.2	3,095	03/03/11	12/01/17	11/30/22	0932	36	\$ 32,568	\$ -	\$ -	Juvenile Traffic Court	Fixed payment for CFP Maintenance of Effort (\$2,281) and Janitorial (\$33)
39	0079L	36-N1	SC-San Bernardino-CF-790 S. Gifford	12,423	10/01/07	09/01/14	08/31/19	0932	36	\$ 109,819	\$ -	\$ -	Storage and offices	
40	0077L	36-N3	SC-San Bernardino-CF-776 S. Gifford	4,812	09/01/07	09/01/14	08/31/19	0932	36	\$ 42,538	\$ -	\$ -	Storage	
41	0035L	36-N4	SC-San Bernardino-CF- 766 S. Gifford Ave.	4,869	08/01/06	09/01/14	08/31/19	0932	36	\$ 43,042	\$ -	\$ -	Storage	
42	0078L	36-N5	SC-San Bernardino-CF-780 S. Gifford	8,240	09/01/07	09/01/14	08/31/19	0932	36	\$ 72,842	\$ -	\$ -	Storage	
43	0088L	36-N6	SC-San Bernardino-CF-Distribution Center	19,302	02/01/08	09/01/14	08/31/19	0932	36	\$ 170,630	\$ -	\$ -	Storage	
44	0076L	36-Q1	SC-San Bernardino-CF-Family Law Court DCSS	24,435	02/01/08	10/01/15	09/30/25	0932	36	\$ 730,323	\$ 730,323	\$ -	Family Law Court	
45	0705L	36-S2	SC-San Bernardino, CF-Temp. Parking Lot2	-	03/29/16	03/29/16	03/31/21	0932	36	\$ 90,000	\$ -	\$ -	Parking	Previous lease commenced 10/1/10.
46	0195L	37-I6	SC-San Diego, CF-East County Reg'l Ctr - Overflow Parking	-	02/11/08	03/01/16	02/28/21	0932	37	\$ 92,107	\$ -	\$ -	Parking	

Line	Lease ID	Bldg ID	Lease Name	Sq. Ft.	Original Lease Commencement Date	Current Term Start	Current Term End	Fund	Court	Total 18/19	Updates to FY 18/19 Total 10/5/18	Updates to FY 18/19 Total 1/3/19	Use	Notes
47	x0749L	40-K1	SC-San Luis Obispo, MX-999 Monterey St	1,198	10/10/17	10/10/17	10/31/22	0932	40	\$ -	\$ -	\$ -	Administration: HR, fiscal, training	Court pays expenses in excess of 40-F1 CFP amount (lease at a different location that was transferred and has since expired); court projected to start contributing in FY 2019-20.
48	x0676L	42-B3	SC-Santa Barbara, CF-Garden St Parking	-	07/01/14	07/01/14	06/30/19	0932	42	\$ 36,000	\$ -	\$ -	Juror Parking	
49	x0632L	43-B6	64 N. Market Street	-	07/01/13	01/01/17	12/31/18	0932	43	\$ 81,515	\$ -	\$ 100,000	Juror Parking	
50	0099L	44-B2	SC-Santa Cruz, CF-Watsonville Courthouse, Suite 302	-	04/07/08	05/01/18	04/30/23	0932	44	\$ 37,347	\$ -	\$ 37,226	Self Help	
51	0151L	44-B2	SC-Santa Cruz, Watsonville Courthouse Parking	-	01/01/09	01/01/09	Ongoing until terminated	0932	44	\$ 14,699	\$ -	\$ -	Parking	
52	0104L	48-A1	SC-Solano-CF-Hall of Justice, 1st Fl.	-	09/01/10	06/01/18	05/31/23	0932	48	\$ -	\$ -	\$ -	Administration	Court funds expenses in excess of New Judgeship funding; court projected to start contributing in FY 2019-20.
53	0381L	48-A1	SC-Solano, CF-HOJ, 3rd Fl. 2	-	12/01/10	12/01/18	11/30/23	0932	48	\$ 96,770	\$ -	\$ 91,179	Administration	
54	0134L	48-C1	SC-Solano, CF-Solano SC Storage, Suite C	-	08/15/01	09/01/14	08/31/19	Court is payment agent for lease	48	\$ 107,981	\$ -	\$ -	Records storage	Court is planning to vacate premises when lease expires on 8/31/19
55	x0039L	49-B1	SC-Sonoma, Santa Rosa, Empire Annex	See above line	02/01/00	02/01/18	01/31/19	0932	49	\$ 146,182	\$ -	\$ -	Courthouse	Court funds 50% of expenses.
56	0100L	49-B2	SC-Sonoma-CF-3055 Cleveland Avenue	-	04/01/09	04/01/09	03/31/19	0932	49	\$ 666,082	\$ -	\$ -	Courthouse: civil and family law, includes children's waiting room	Court funds expenses in excess of CFTF and New Judgeship funding.
57	0246L	50-A2	SC-Stanislaus- Hall of Records	16,114	01/01/09	01/01/17	12/31/21	0932	50	\$ 118,980	\$ -	\$ -	Administration	
58	0247L	50-B1	SC-Stanislaus, EXP-Modesto Juvenile Court	250	07/01/09	07/01/16	06/30/21	0932	50	\$ 1,968	\$ -	\$ -	Juvenile Court	
59	x0247L	50-B1	SC-Stanislaus, EXP-Modesto Juvenile Court	250	07/01/09	07/01/16	06/30/21	0932	50	\$ 1,270	\$ -	\$ -	Juvenile Court	
60	0074L	50-F1	SC-Stanislaus-Modesto Traffic Court	2,872	12/05/04	06/01/16	12/31/19	0932	50	\$ 40,495	\$ -	\$ -	Traffic Court	
61	0075L	50-G1	SC-Stanislaus-CF-Modesto Civil Court	14,376	04/01/08	05/01/17	04/30/22	0932	50	\$ 328,493	\$ -	\$ -	Civil Court	
62	0116L	50-G1	SC-Stanislaus, MX-Modesto Civil Court, 6th Fl	10,906	03/01/09	03/01/09	02/28/19	0932	50	\$ 390,435	\$ -	\$ -	Civil Court	
63	0043L	54-G1	SC-Tulare-CF-Family Law Facilitator	2,313	08/01/07	08/01/14	07/31/19	0932	54	\$ 41,079	\$ -	\$ -	Self Help Resource Center/Family Law Facilitator	
64	0745L	54-K1	SC-Tulare, CF-Visalia City Hall, Thur Traffic Court 2	n/a	09/01/17	09/01/17	08/31/19	0932	54	\$ 5,100	\$ -	\$ -	Traffic Court	
										\$ 8,355,946				

CFRs have been approved for these leases; leases being drafted

	TBD	33-E1	SC-Riverside, CF-Palm Spring Courts, Swing Space	3,209		01/01/19	12/31/20	0932	33	\$ 120,704	\$ 120,703.60		Temporary Space	CFRs approved; lease in draft. Costs include tenant improvements
	TBD	33-E1	SC-Riverside, CF-Palm Spring Courts, Self Help	2,816		01/01/19	12/31/20	0932	33	\$ 98,801	\$ 98,800.58		Self Help	CFRs approved; lease in draft. Costs include tenant improvements



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REPORT TO THE JUDICIAL COUNCIL

For business meeting on August 25–26, 2016

Title	Agenda Item Type
Court Facilities: Court-Funded Facilities Request Policy	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	August 26, 2016
Recommended by	Date of Report
Trial Court Facility Modification Advisory Committee	August 15, 2016
Hon. Donald Cole Byrd, Chair	Contact
	Enrique Villasana, 415-865-4040 enrique.villasana@jud.ca.gov

Executive Summary

The Trial Court Facility Modification Advisory Committee (TCFMAC) recommends revising the Court-Funded Facilities Request (CFR) Procedure to increase the small project budget maximum value from its current threshold of \$15,000 per project and to allow Judicial Council staff to approve CFRs. These procedural changes will allow trial court leaders to better plan their facilities financial contributions and see urgent facilities projects come to fruition as much as 45 days sooner than the current standard allows.

Recommendation

The Trial Court Facility Modification Advisory Committee recommends that the Judicial Council, effective August 26, 2016, revise the Court-Funded Facilities Request Procedure to:

1. Increase the small project budget maximum value from its current threshold of \$15,000 to \$50,000 per project; and
2. Permit the TCFMAC to delegate its CFR approval authority to the director of the Judicial Council's Real Estate and Facilities Management (REFM) office.

The revised policy is attached at pages 4–8.

Previous Council Action

At its August 23, 2013, meeting, the Judicial Council adopted a new CFR Procedure based on input from court survey responses (see Attachment A). The new procedure also delegated to the TCFMAC the authority to review and approve requests and required the committee to provide quarterly reports to the council on all CFRs granted during the previous quarter.

Rationale for Recommendation

Increasing the threshold for small projects will allow more trial court projects to move toward execution more efficiently, rather than being held up in the committee approval process, which can take up to 60 days between meetings. In addition, in the three years since approval authority has been delegated to the committee, the committee has seen that in general the courts are fiscally responsible with the projects they wish to execute and have consistently provided thorough justification and urgency for the projects. Hence, the committee recommends delegating its approval authority to the REFM director. Staff will report on approved CFRs at committee meetings.

In fiscal year (FY) 2013–2014, there were 29 facility modification requests funded by the courts, with a total estimated cost of \$4.7 million, and 28 lease-related requests funded by the courts, with a total estimated cost of \$2 million. In FY 2014–2015, there were 25 facility modification requests funded by the courts, with a total estimated cost of \$10 million, and 23 lease-related requests funded by the courts, with a total estimated cost of \$5.9 million. In FY 2015–2016, there were 30 facility modification requests funded by the courts, with a total estimated cost of \$13.8 million, and 22 lease-related requests funded by the courts, with a total estimated cost of \$7.1 million.

Table 1. Data on Facilities Requests Funded by the Courts, by Fiscal Year

Fiscal Year	Facility Modification Requests		Lease-Related Requests	
	Number	Total Est. Cost*	Number	Total Est. Cost*
2013–2014	29	\$4.7 million	28	\$2 million
2014–2015	25	\$10 million	23	\$5.9 million
2015–2016	30	\$13.8 million	22	\$7.1 million

* Total estimated cost.

The year-end deadline has proven to be the biggest push for CFRs, with the bulk of the year’s requests coming in at that time. An increase in the budget threshold would help mitigate the strain placed on courts and staff to fulfill CFR encumbrance requirements within a tight deadline.

Comments, Alternatives Considered, and Policy Implications

The committee and Judicial Council staff have heard concerns about the CFR procedure from the courts and have determined that this revision is the best solution to address the concerns of the trial courts. The committee supports this revision because it will more expediently serve court needs. Further, the committee holds that the funds are ultimately the courts', and although oversight is needed, the history of the CFR program has shown court leadership to be largely responsible with their requested projects and expenditures.

The committee considered two alternatives to the proposed revision. The first was to leave the procedure unchanged. Doing so would result in no impact to the CFR process aside from continuing the growth trend and delays seen in recent years. The other alternative was only to increase the upper small project budget threshold. Although this change would aid in reducing the number of CFRs heard by the committee, a significant number of requests would still be made, particularly as courts increasingly make their project scopes more thorough and seek to fund larger facilities projects with court finances.

In addition to the TCFMAC's review of the proposed policy on July 22, 2016, and July 29, 2016, the policy was presented to the Trial Court Presiding Judges Advisory Committee/Court Executives Advisory Committee Joint Committee business meeting on August 4, 2016. The policy was also circulated to trial court leadership for comment from August 1–12, 2016. Two comments were received by council staff affirming the revisions. No other comments were received by staff. Attachment 2 details these comments.

Implementation Requirements, Costs, and Operational Impacts

Upon implementation of the revision, courts will be able to submit CFRs up to the \$50,000 threshold, provided they have a small project annual budget intra-branch agreement in place. Although the committee will no longer be required to approve the projects, there will still be accountability via the standard quarterly informational reports to the Judicial Council as stated in the procedure. No costs are associated with implementing this revision.

Attachments

1. *Court-Funded Facilities Request Policy*, August 4, 2016, Draft, at pages 4–8
2. Chart of Comments on Draft *Court-Funded Facilities Request Policy*, at page 9
3. Attachment A: *Court Facilities: Court Financial Contributions and Court-Funded Facilities Request (CFR) Form*, adopted August 23, 2013



Court-Funded Facilities Request Policy

AUGUST 4, 2016



JUDICIAL COUNCIL
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Purpose and Scope of the Policy

This Court-Funded Facilities Request (CFR) Policy presents the procedure and requirements to allow trial courts to make a court-funded facilities request to assist with the funding of certain facilities costs (i.e., facility modifications and lease-related costs) by allowing trial courts to contribute funds toward urgent facilities costs, not including capital outlay expenses, through allocation reductions from the Trial Court Trust Fund (TCTF).

For purposes of the CFR Policy, allowable facilities costs that a trial court can fund through a Court-Funded Facilities Request include (a) Facility Modifications as defined in the *Trial Court Facility Modifications Policy*, as adopted by the Judicial Council on July 27, 2012, including any subsequent revisions; (b) allowable court operations costs under rule 10.810 of the California Rules of Court; and (c) lease-related costs as stated herein.

At its meeting on August 23, 2013, the Judicial Council adopted a new CFR procedure as well as related delegations and reporting requirements. This July 2016 CFR Policy supersedes the previously approved 2013 CFR procedure.

Trial Court Funded Request Procedure

1. **Submittal of CFR Application.** A trial court may submit a CFR application as follows:
 - a. The trial court's presiding judge, court executive officer, or written designee may submit a CFR application to fund facilities costs using the CFR form that has been approved by the Trial Court Facility Modification Advisory Committee (TCFMAC). The CFR application must include a statement that the trial court has verified its ability to meet the financial commitments relating to the CFR.
 - b. The CFR application must be submitted to the CFR e-mail inbox (CFR@jud.ca.gov). The inbox is managed by the Judicial Council's Facilities Project Management unit (FPM). FPM will confirm receipt to the sender.
 - c. Trial courts shall submit CFR applications before the CFR submission deadline as stated in the time schedule for submitting CFR applications provided to the trial courts by Judicial Council staff each fiscal year.
 - d. The CFR application must be consistent with the following:
 - i. CFRs shall fund only the following trial court facility needs:
 - A. Lease-related costs (i.e., lease payments and operating costs, repairs, or modifications authorized by a lease); or
 - B. Costs that are allowable court operations expenditures under rule 10.810 of the California Rules of Court (i.e., equipment, furnishings, interior painting, flooring replacement or repair, furniture repair, or records storage), to the extent that the trial court prefers to have Judicial Council staff handle the matter on its behalf; or

- C. Other facility improvements that are not allowable court operations expenditures under rule 10.810 (i.e., facilities operations, maintenance, repairs, and modifications but not capital projects), if they either improve a trial court facility's functionality or improve court operations.
- ii. If a CFR is for lease-related costs, the following conditions must be met:
 - A. The Judicial Council is either the tenant (or subtenant) under the lease or has accepted assignment of the lease;
 - B. The original term of the lease will not exceed five years; and
 - C. Any lease renewal (including renewals under an option contained in an existing lease contract) must be considered as a new CFR.
 - iii. Trial courts that wish to contribute funding in a fiscal year for multiple small projects that are non-lease items may expedite the approval process by submitting a single CFR, under the following requirements and procedures:
 - A. The CFR will propose a maximum fiscal year budget (i.e., the trial court's cumulative total financial contribution) for small projects for that fiscal year and subsequent fiscal years;
 - B. Following approval of that amount, the trial court will submit individual service work order requests, to be charged against its authorized maximum fiscal year budget as follows:
 - I. Individual service work orders may not exceed \$50,000;
 - II. Each service work order will identify the type of service requested and state whether the work is either allowable or not allowable under rule 10.810;
 - III. If the work is not allowable under rule 10.810, the service work order will provide a brief explanation of how the requested work will either improve a trial court facility's functionality or improve court operations;
 - IV. Once a maximum fiscal year budget for small projects has been approved, FPM, in coordination with the trial court, may approve individual service work order requests; and
 - V. FPM staff will report at each meeting of the TCFMAC on disposition of all individual service work order requests received since the committee's preceding meeting; and
 - C. A trial court's cumulative amount of service work orders for any fiscal year may not exceed the maximum fiscal year budget established in the original CFR unless an Intra-branch Agreement (IBA) has been amended to authorize a new maximum fiscal year budget.

- iv. Reduction of allocation. Any trial court submitting a CFR application must agree that its Trial Court Trust Fund allocation will be reduced during the period specified in the application, if approved, to meet the full financial commitment, notwithstanding any other court financial needs that may arise, because other court facilities funding sources are fully committed and therefore unavailable to replace a trial court contribution.

2. Judicial Council Review of CFR Application.

- a. *Director approval/disapproval.* Upon receipt of a trial court's CFR application, the Judicial Council's director of Real Estate and Facilities Management may approve or disapprove a CFR application applying the criteria herein while considering whether the proposed budget for the project is accurate. However, if the project results in an increase to ongoing operational costs to the Judicial Council beyond the initial outlay for the project (e.g., additional utility or maintenance costs), the director shall direct Judicial Council staff to forward the CFR application to the TCFMAC for approval or disapproval in lieu of the director's approval or disapproval. Once the director either (a) approves or disapproves a CFR application, or (b) determines that the project will result in an increase to ongoing operational costs to the Judicial Council beyond the initial outlay for the project (e.g., additional utility or maintenance costs), the Judicial Council staff will immediately notify the trial court of the director's decision and send a follow-up letter confirming the decision.

If the director has approved a CFR application, the CFR application is not required to go to the TCFMAC.

- b. *TCFMAC review.* If the director has concerns about whether the proposed CFR meets the criteria herein or whether the proposed budget for the project is accurate, the director may present those concerns to the TCFMAC, and the TCFMAC shall consider whether the CFR application should be approved.

If the director disapproves a CFR application, the applicable trial court shall have the right, but not the obligation, to appeal the director's decision to the TCFMAC. In the event that a CFR application is presented or appealed to the TCFMAC, the trial court may provide a statement and any documents in support of its CFR application.

In addition, the TCFMAC shall either approve or disapprove, in its discretion, any CFR application for which the project results in an increase to ongoing operational costs to the Judicial Council beyond the initial outlay for the project (e.g., additional utility or maintenance costs).

Once the TCFMAC either approves or disapproves a CFR application, the Judicial Council staff will immediately notify the trial court of TCFMAC's decision and send a follow-up letter confirming the decision.

- 3. Execution of Intra-branch Agreement.** After approval of the CFR application by either the director or the TCFMAC, as applicable, and barring any unresolved concerns with respect to

the CFR application, the trial court and the Judicial Council will execute an IBA that authorizes the council to either (a) provide the services and materials necessary to complete the project(s) listed in the CFR or (b) enter into the lease or lease extension described in the CFR; directly pay the costs covered by the trial court's CFR from the TCTF; and reduce the trial court's distribution from the TCTF in the manner specified in the IBA. The Judicial Council shall not proceed with any of the project(s) listed in the CFR application (including executing any lease documents) until an IBA is executed by the trial court.

4. **Reporting.** The Judicial Council's Facilities Management Unit must report to the TCFMAC at each scheduled TCFMAC meeting regarding all CFRs approved since the last scheduled TCFMAC meeting. In addition, FPM must report to the council quarterly regarding all CFRs approved during the previous quarter. Those reports must specify the nature of the costs covered by each trial court's contribution, key terms for any leases (e.g., start and end dates of term, options to renew, early termination provisions, covered improvements, and total cost), and the total amount of the expenditure and allocation reduction for each CFR.
5. **CFR Application Form Revisions.** The council delegates to the TCFMAC the authority to approve revisions to the CFR application form as needed; however, the CFR application form must include a statement that the trial court has verified its ability to meet the financial commitments relating to the CFR. Trial court input will be sought before any revisions are made to the form.

Comments Summary: Court-Funded Facilities Request (CFR) Policy

All comments are verbatim

	Commentator	Position	Comments	Responses from TCFMAC
1.	Hon. Liz Johnson Presiding Judge	A	<p>SUPERIOR COURT OF CALIFORNIA, COUNTY OF TRINITY</p> <p>I gave this a brief review and think it's great. I expect my CEO will have additional thoughts. The only thing that made me think twice was paragraph 1.d.iv, concerning reduction of allocation. Is it possible to phrase this in a conditional way, so that it's not conceded that a court's allocation will be reduced unless the facilities funding sources are/remain fully committed? I just hate to give up the hope that this situation might turn around, and in that case, it would be good not to be locked in. Of course, this may be a naïve hope for the foreseeable future.</p> <p>Otherwise, thumbs up.</p>	Recommended keeping the language as is in order for courts to understand the implications of the commitment they are requesting. Ideally the courts would consult with JCC staff to determine the project scope and determine what the JCC can fund. A CFR submittal would come after this consultation with the court if the JCC cannot fund the project and the court would be aware of cost.
2.	Bryan Borys, Ph.D. Senior Advisor	A	<p>SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES</p> <p>The Los Angeles Superior Court supports the proposed CFR request policy as distributed in your August 1, 2016, email.</p>	N/A

Response Totals

	Agreement	Do Not Agree	Position Not Specified	Total Respondents
Totals	2			2

Positions:

A = Agree with recommendations.

D = Do not agree with recommendations.

N = Position not specified.



Judicial Council of California · Administrative Office of the Courts

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on: August 23, 2013

Title	Agenda Item Type
Court Facilities: Court Financial Contributions	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	August 23, 2013
Recommended by	Date of Report
Administrative Office of the Courts Steven Jahr, Administrative Director of the Courts	July 23, 2013
	Contact
	Judicial Branch Capital Program Office Gisele Corrie, Financial Manager 916-263-1687 gisele.corrie@jud.ca.gov

Executive Summary

The Administrative Office of the Courts (AOC) recommends that the Judicial Council adopt a new Court-Funded Facilities Request (CFR) Procedure enabling superior courts to contribute to certain future facilities costs via allocation reduction in specified circumstances, with previously approved court contributions continuing through the end of the approved project or current lease term. The AOC also recommends that the council make related delegations and require related reporting. Although legislation enacted in fiscal year 2012–2013 further reduced trial court funding and significantly restricted the courts' ability to carry fund balances, the AOC recommends adoption of a new CFR Procedure to provide courts an additional method of meeting their facilities needs where contributions remain feasible.

Recommendation

The AOC recommends that the Judicial Council, effective August 23, 2013:

1. Adopt a new Court-Funded Facilities Request (CFR) Procedure for new superior court requests to contribute to urgent court facilities needs, not including capital outlay expenses, via allocation reduction, consistent with the guidelines and procedures specified below:
 - a. The court contribution will be used exclusively to pay for the following urgent court facilities needs:
 - i. Lease-related costs (i.e., lease payments and operating costs, repairs, or modifications required by a lease);
 - ii. Costs that are allowable court operations expenditures under rule 10.810 of the California Rules of Court (i.e., equipment, furnishings, interior painting, flooring replacement or repair, furniture repair, or records storage), if the court prefers to have the AOC handle the matter on its behalf; or
 - iii. Other facility improvements that are not allowable court operations expenditures under rule 10.810 (i.e., facilities operations, maintenance, repairs, and modifications but not capital projects), if they would improve a court's functioning or reduce ongoing court operating costs.
 - b. If the court financial contribution will pay lease-related costs:
 - i. The AOC holds or has accepted assignment of the lease;
 - ii. The lease term will not exceed five years; and
 - iii. Any lease renewal (including renewals pursuant to an option contained in an existing lease contract) must be considered as a new CFR.
 - c. Courts wishing to contribute funding for multiple small projects that are non-lease items in a fiscal year may expedite the approval process by submitting a single CFR, under the following procedure:
 - i. The CFR proposes a maximum fiscal year budget (i.e., the court's cumulative total financial contribution) for small projects that year;
 - ii. Following approval of that amount, the court will submit individual service work order requests, to be charged against its authorized maximum annual fiscal year budget as follows:
 - A. Individual service work orders may not exceed \$15,000.
 - B. Each service work order will identify the type of service requested and state whether the work is rule 10.810 allowable or unallowable.
 - C. If the work is rule 10.810 allowable, the service work order will provide a brief explanation of the reason that the court prefers to have the AOC handle the matter on its behalf.
 - D. If the work is not allowable under rule 10.810, the service work order will provide a brief explanation of how the requested work will improve the court's functioning or reduce ongoing court operating costs.
 - E. Once a maximum fiscal year budget for small projects has been approved, a regional manager for the AOC's Facilities Management Unit may approve individual service work order requests.
 - F. The AOC's Facilities Management Unit must report at each meeting of the Trial Court Facility Modification Advisory Committee on disposition of all individual service work order requests received since the committee's last meeting.

- iii. A court's cumulative financial contribution via service work orders may not exceed the maximum fiscal year budget established under the original CFR. Work requiring expenditures beyond that established budget will require a new CFR.
 - d. The court's presiding judge or court executive officer submits a CFR application demonstrating the court's ability to meet the financial commitment.
 - e. The AOC's Fiscal Services Office (FSO) will review the court's application and any other relevant information, may request further information from the court as needed, and will advise if it has concerns about the court's ability to meet the proposed financial commitment.
 - f. If there are no unresolved FSO concerns, the court will execute an intra-branch agreement with the AOC, authorizing the AOC to directly pay the costs covered by the court's CFR from the Trial Court Trust Fund (TCTF), making a corresponding reduction to the court's TCTF allocation.
 - g. Any court submitting a CFR application must agree that its TCTF allocation will be reduced, during the period specified in the application, if approved, to meet the full financial commitment, notwithstanding any other court financial needs that may arise, as other court facilities funding sources are fully committed and therefore not available to replace a court contribution.
2. Delegate to the Trial Court Facility Modification Advisory Committee the authority to approve CFRs under the new procedure applying the above criteria, with the AOC then making related payments from the Trial Court Trust Fund (TCTF) and corresponding reductions to courts' TCTF allocations. If the AOC's FSO has concerns about a court's ability to meet a proposed financial commitment, it may present those concerns to the Trial Court Facility Modification Advisory Committee, and the court may present a response.
 3. Instruct the Trial Court Facility Modification Advisory Committee to provide an informational report to the Judicial Council on a quarterly basis about all CFRs granted during the previous quarter, with reports to specify the nature of the cost covered by each court's contribution, the reason each request was considered urgent, and key terms for any leases (e.g., start and end date of term, options to renew, early termination provisions, total cost, covered improvements).
 4. Approve the revised CFR form, attached to this report, for courts' use.
 5. Instruct the AOC to pursue approval of the state Department of Finance (DOF) to transfer money in the TCTF to the Court Facilities Architectural Revolving Fund (Revolving Fund), under the new CFR Procedure, to cover rule 10.810 allowable costs associated with relocating to and/or equipping a different court facility associated with a move, and authorize the AOC to make such transfers with DOF approval.

Previous Council Action

In October 2006, the Judicial Council, among other things, delegated to the AOC the authority, under Government Code section 68085(a)(2)(A), to (1) approve the direct payment or reimbursement of allowable costs from the TCTF to fund the costs of operating one or more trial courts upon the consent of the participating courts, and (2) make corresponding reductions to

courts' TCTF allocations.¹ Consistent with this delegation, the AOC adopted the original CFR Procedure, to assist courts by enabling their contribution to short-term facilities maintenance needs while the Judicial Council and the counties were negotiating the transfer of responsibility for court facilities.

As the CFR Procedure had been an interim measure, the transfer process had been completed, and new legislation had further reduced superior court budgets, imposing new limits on their ability to carry fund balances,² the Judicial Council discontinued the original CFR Procedure for all new requests on December 14, 2012, with a limited six-month exception, pending review. Under the exception, the council delegated to the Administrative Director of the Courts the authority to approve new CFRs in specified instances to avoid other greater costs between December 2012 and the date of the council's June 2013 meeting.

The council directed the Administrative Director to return at its June 2013 meeting with a report on (1) courts' outstanding financial commitments under the CFR Procedure, (2) the impact of recent legislation restricting courts' fund balances, and (3) the advisability of the council's approving a new policy permitting courts to make limited financial contributions to meet urgent facilities needs, consistent with guidelines and reporting obligations that the council might approve. Finally, the council delegated to the Trial Court Facility Modification Working Group (now an advisory committee) the responsibility for receiving regular reports about all court facilities leases and forwarding information related to those leases for council consideration and action as appropriate, and also approved a revised CFR form for courts' use until June 2013.

At its June 2013 meeting, however, the Judicial Council agreed to delay considering the CFR issue for two months, extending the delegation to the Administrative Director to approve new CFRs in the interim. The council approved this action so that the Court Executives Advisory Committee (CEAC) might review the Administrative Director's draft report and provide input. At the council's direction, the item was moved to the agenda for its August 2013 meeting.

Rationale for Recommendation

Recommendation 1: Adopt a new CFR Procedure

The Judicial Council discontinued the prior CFR Procedure for new requests in December 2012, pending review. As directed, the AOC surveyed the courts in the intervening period, seeking their input about whether they remain able to contribute to facilities costs via allocation reduction, whether the option should be preserved, and, if so, whether changes in procedure are recommended. The survey responses support adopting a new procedure with modest changes to improve the timeliness of CFR decision-making and the courts' receipt of information about related allocation reductions and distribution amounts.

¹ See Judicial Council of Cal., mins. (Oct. 20, 2006), item G, numbered para. 13, at p. 38, available at www.courts.ca.gov/documents/min102006.pdf.

² See Gov. Code, § 77203(b) ("Commencing June 30, 2014, a trial court may carry over unexpended funds in an amount not to exceed 1 percent of the court's operating budget from the prior fiscal year").

Although the significant reductions to superior court budgets have presented challenges, restrictions on the courts' ability to carry fund balances will not commence until June 30, 2014. With few exceptions noted below, courts generally report they remain able to meet existing CFR commitments and would like to preserve the option of contributing to future facilities costs, via allocation reduction, if they consider it necessary. Ongoing reductions to superior court budgets have not eliminated the need for many court leases, and new leases may be needed if existing facilities prove inadequate or insufficient. Court contributions to the costs of repairs and other needed facilities maintenance or modification, via allocation reduction, also assist in avoiding accelerated deterioration and increased expenses for the future. To the extent they remain feasible, court contributions assist in bridging the gap created by inadequate state funding for court facilities and the repeated redirection and borrowing from state court construction funds.

Although not every court will be financially able to take advantage of the CFR Procedure,³ most courts responding to the AOC survey expressed the preference to preserve the flexibility that it affords. Given the few choices available, and the inadequacy of alternative funding sources, the AOC recommends adopting a new CFR Procedure with criteria described in the recommendations.

Survey of superior courts about their current CFR financial commitments. Pursuant to the Judicial Council's direction at its December 2012 meeting, the AOC has surveyed superior courts, to gather all necessary information about the nature and extent of their outstanding financial commitments under previous CFRs and about their interest in the adoption of a new CFR Procedure, enabling them to contribute to facilities costs via allocation reduction going forward. The survey questionnaire sent to each court included information about the council's December 2012 decision, with a hyperlink to the council report, a summary of each individual court's outstanding CFR commitments, and a request for additional information to permit the council's informed consideration of the issue.

The survey asked each court to provide information, including:

- *For each lease assigned to the AOC (i.e., AOC is the named tenant):*
 - The purpose or use of the facility (e.g., courtrooms, offices, records storage, other court storage, or collections), with indication whether space is vacant;
 - Occupancy levels (e.g., the number of staff, full-time and part-time, headquartered at the facility);
 - Court expectations about when each lease might be terminated, given budget and other factors; and

³ Courts retain the option of making rule 10.810 allowable expenditures on their own, without resorting to the new CFR Procedure or an allocation reduction.

- Funding source for lease costs (e.g., the TCTF or Assembly Bill 1058 funding).⁴
- *For outstanding minor facilities improvements qualifying as allowable court operations costs* under rule 10.810 (i.e., equipment, furnishings, interior painting, flooring replacement or repair, furniture repair, or records storage):
 - The confirmed budget; and
 - The court's preference about continuing or modifying the terms of its existing agreement with the AOC.
- *For outstanding facilities work that does not qualify as allowable court operations costs* (e.g., maintenance or repairs, building modifications, and capital projects), the survey also noted each court's outstanding financial commitments.⁵

The following chart provides an estimated summary of current court financial commitments under the CFR program, for FYs 2012–2013 and 2013–2014.⁶ Many of the commitments are one-time in nature, while others entail extended commitments (e.g., for leases and capital projects). Overall, 42 superior courts (72% of all superior courts) have agreed to contribute to their facilities costs, via allocation reduction in both fiscal years. Of that number, 31 courts (53% of all superior courts) are contributing to the cost of their facilities leases (71 leases) and anticipate having the same space needs for approximately 46 (65%) of those leases for the foreseeable future. The remaining courts reportedly do not intend to renew their leases.

Court-Funded Expense Type	Ongoing Expense	# of Courts Participating	# of Leases	Rule 10-810 Allowable	Reported Occupancy	FY 12-13 Budget	FY 13-14 Budget
AOC-Held Leases:							
Lease: Office/Courtroom/Miscellaneous Storage	X	26	41		520.3	5,669,000	5,298,000
Lease: New Judgeship	X	4	4		209.0	719,000	1,071,000
Lease: Parking	X	4	4		0.0	269,000	275,000
Lease: Court only funds specific cost (e.g., janitorial, maintenance, utilities)	X	5	6		298.0	156,000	158,000
Lease: Records Storage	X	10	15	X	25.5	1,161,000	1,410,000
Subtotal: All AOC Held Leases		31	70		1,052.8	7,974,000	8,212,000
Allowable court-operations costs, <i>not</i> including records storage (e.g., equipment, interior painting, flooring repair)	X	29		X		1,330,000	899,000
Unallowable court-operations costs, not including capital projects (e.g., facilities maintenance, repair, and modifications)		5				31,000	
Capital Projects	X	3				18,150,000	6,000,000
Total Courts' Contributions/Commitments		42	70		1,052.8	27,485,000	15,111,000

⁴ AB 1058 (Stats. 1996, ch. 957) established a statewide Child Support Commissioner and Family Law Facilitator Program, which is grant funded.

⁵ The survey did not ask the three courts contributing to capital projects or the four courts contributing to unallowable facilities work about ability to meet outstanding financial commitments. Two of the three courts with capital projects recently had covered the same topic for the Court Facilities Advisory Committee. The third does not currently rely on the CFR Procedure in making its contributions. For the four courts contributing, via allocation reduction, to costs of other unallowable facilities work costs, the cumulative outstanding financial commitment is small (\$31,000).

⁶ The budget amounts noted in the chart are rounded to the nearest thousand.

The chart below provides further detail about AOC-held leases.⁷ As shown below, 53 of the existing 70 court-funded leases (76% of the total) will expire in the next three years if not renewed. Of those leases, 30 have options to renew as part of the existing lease terms, although renewal may entail greater costs. Seven of the 70 leases (10% of the total) have terms extending five to eleven years, and most of those lack a lease provision permitting early termination, signifying that the AOC may have difficulty ending the leases and may have to pay penalties (or pay all rent due under the full term of the lease) if early termination were to become necessary.⁸

Overview of Current Lease Terms (AOC-Held Leases)	# of Courts Participating	# of Leases	# of Leases with Early Termination Provisions	# of Leases with Options for Renewal	Occupancy	FY 13-14 Budget
All Leases with terms ending within three years:	25	53	18	30	529.8	3,353,000
All Leases with terms ending between three and five years :	9	10	6	8	229.0	2,575,000
All Leases with terms ending between five and eleven years :	7	7	2	6	294.0	2,284,000
Total AOC-Held Leases	31	70	26	44	1,052.8	8,212,000

Only two courts reported concerns about their ability to meet existing financial commitments for leases. In one case, the court's lease extends six more years, through March 2019, with no provision permitting early termination. That court requested the AOC's assistance in reviewing options regarding the lease. Together, the AOC and the court identified the following options: (1) seek one or more entities to sublet the space; (2) terminate the lease and negotiate a termination penalty; or (3) retain the space and continue lease payments for six more years. The court is pursuing the first option at present. At the court's request, the AOC has engaged a real estate agent to seek entities interested in subletting the space. If that effort does not yield results, the court will remain in the space through the end of the term, and then consolidate operations into its remaining facilities. The second court is evaluating all existing leases and will make necessary adjustments after the FY 2013–2014 Budget Act is signed and the Judicial Council has determined its allocation.

Superior court survey responses regarding adoption of a new CFR Procedure. The AOC's survey also asked courts whether they favored adoption of a new CFR Procedure and how such a procedure might be improved. In general, their responses on the first topic were affirmative. Some suggested that quicker decision-making and more timely information about related financial impacts would be helpful. Below is a summary of court responses on these issues.

- ***Adoption of a new CFR Procedure:*** Forty-five of the 58 superior courts (78%) responded to the question about adopting a new CFR Procedure. Of those, 33 favored the action, 3 were undecided, and 9 did not oppose ending the CFR Procedure. The courts that favored retaining it noted that the procedure (1) enables them to secure timely repairs and modifications, addressing health and safety concerns (e.g., permitting prompt repairs

⁷ The budget amounts noted in the chart are rounded to the nearest thousand.

⁸ Another court has a small annual financial commitment (about \$15,000 per year), which is to continue indefinitely, so long as the court continues use of certain secure parking for judicial officers and a sally port .

following a fire or flood); (2) strikes a balance between state and local priorities, allowing courts to contribute to costs that are a local priority even if not sufficiently urgent to warrant priority in the competition for scarce statewide funding; and (3) enables them to draw upon AOC expertise in an area (facilities) with which courts have had little opportunity to become familiar. In addition, when questioned about equity issues raised by the CFR Procedure (e.g., better-funded courts having greater ability to address their own urgent facilities needs), some courts responded the concerns are mitigated by steps the Judicial Council and the Trial Court Budget Working Group (now an advisory committee) are taking to improve funding equity between courts.

For the three courts that reportedly were undecided about retaining a CFR Procedure, the primary issue was leases. Those courts wish to preserve an alternative method for funding leases to ensure their space needs are met, given scarce statewide court facilities funding. If the CFR Procedure is eliminated, some thought legislation might be proposed along with amendments to rule 10.810, together authorizing court spending in this area.

Of the nine courts that reportedly did not oppose eliminating the CFR Procedure, only one provided comments. That court indicated that it planned to terminate an existing lease. Given this fact and the state of its current budget, the court did not see a continued need for the procedure.

- *Improving the CFR Procedure:* Forty-three of the 58 superior courts (74%) responded to the question about improving the CFR Procedure. Of those, 28 expressed no concerns, while 15 recommended improvements. The latter group requested quicker notification about CFR decisions and a reasonable opportunity to review in advance both the specific costs covered by their contributions and the corresponding amount of proposed reductions to their TCTF allocations and monthly distributions. The AOC recommends that the Judicial Council delegate to the Trial Court Facility Modification Advisory Committee the authority to approve CFRs, because the committee meets at regular intervals, permitting predictability of decision-making and quicker reporting to courts. The AOC also has begun sending courts statements the month after requested facilities costs are paid, describing the covered costs and giving the amounts of the proposed corresponding allocation and distribution reductions *before* reductions are made.

Recommendations 2–3: Delegate to the Trial Court Facility Modification Advisory Committee the authority to approve CFRs, with reporting requirements

The Trial Court Facility Modification Advisory Committee oversees the judicial branch program that manages renovations, facilities operations, maintenance, and real estate for trial courts throughout the state. In December 2012, the council delegated to it the responsibility for

overseeing court facilities leases and forwarding related information to the council for information and action, as appropriate.⁹

As the proposed CFR Procedure would permit court contributions, via allocation reduction, to precisely the sorts of facilities costs (maintenance, repairs, renovations, and leases) that the committee oversees, it is best positioned to assist the Judicial Council by reviewing and approving requests. The committee meets at least eight times annually, generally every six to seven weeks. The frequency of its meetings would allow the committee to review CFRs in a timely manner. If this recommendation is approved, the AOC would post the committee's schedule on Serranus, with information about submission deadlines. It would then work with court requestors to ensure the committee has all necessary information about requests, preparing analyses to consider whether proposed expenses may be funded under the CFR Procedure if approved, courts' ability to meet proposed funding obligations, and the likely financial impact if a CFR is granted.

To ensure that the Judicial Council is informed and able to meet its statutory responsibility for overseeing superior court facilities,¹⁰ the AOC further recommends that the Trial Court Facility Modification Advisory Committee report to the council quarterly about all CFRs granted in the previous quarter.

Recommendation 4: Approve the proposed CFR Form

The proposed revised CFR Form, attached, will assist courts by ensuring requirements are clearly stated and will assist the Trial Court Facility Modification Advisory Committee and the Judicial Council by ensuring both have all needed information to properly decide CFRs and oversee the CFR Procedure. The earlier version of the form was tailored for use during the six-month extension of the original CFR Procedure (December 2012 to June 2013),¹¹ and the Judicial Council had prescribed narrower limits for the procedure than those currently proposed. New lease costs could be funded, for example, only if the court contribution was necessary to avoid greater costs and courts could not contribute to other facilities costs that were not allowable under rule 10.810.¹² The revised form requests all information necessary to make an informed judgment about the CFR, applying the criteria described in Recommendation 1, above. It also provides contact information for AOC subject matter experts who can assist the courts in completing their requests.

Recommendation 5: Seek approval to use the Revolving Fund and, if approved, authorize transfers

⁹ Judicial Council of Cal., mins. (Dec. 13–14, 2012), item V., numbered para. 4, at pp. 21–22, available at www.courts.ca.gov/documents/jc-20121214-minutes.pdf.

¹⁰ See Gov. Code, § 70391 (The Judicial Council shall exercise full control over superior court facilities, establish policies and procedures to ensure courts have adequate and sufficient facilities, and manage court facilities).

¹¹ As noted above, the Judicial Council granted a further extension until August 2013.

¹² See Judicial Council of Cal., Rep., *Court Facilities: Court Financial Contributions and Judicial Council Oversight* (Nov. 29, 2012), at pp. 11–12, available at www.courts.ca.gov/documents/jc-20121214-itemV.pdf.

DOF approval of the AOC's transfer of money in the TCTF to the Revolving Fund, under the new CFR Procedure, would cover rule 10.810 allowable costs associated with relocating to and/or equipping a different court facility associated with a move. Appellate courts currently use this approach, as they do not have their own bank accounts and thus cannot carry forward fund balances from year to year. The trial courts are also interested in use of the Revolving Fund for this purpose as evidenced by responses to the survey.

The survey questionnaire sent to each court asked courts with active capital projects whether they would be interested in using a new CFR Procedure to transfer funds from the TCTF to the Revolving Fund, with corresponding allocation reduction, if DOF concurred, so that the money would be available to cover one-time costs of relocating to and/or equipping a facility associated with a move. Although the question was posed for those with active capital projects, a greater number of courts (45 of 58) responded. In the responses received, 23 courts expressed an interest in having the option, while 9 did not consider it necessary, and 13 did not think the option applicable to their current needs.

If the DOF approves use of the Revolving Fund as described, the AOC also will seek confirmation about whether money held in the Revolving Fund under the new procedure would be included when calculating the amount that a court may carry over to a new fiscal year. As noted, above, effective July 1, 2014, courts may only carry over unexpended funds amounting to one percent of their operating budgets.

Comments, Alternatives Considered, and Policy Implications

Comments

As noted, the AOC has surveyed all superior courts, requesting their input about the extent of their facility-related financial commitments, the advisability of the Judicial Council's adopting a new CFR Procedure, and potential improvements on the prior procedure. Of the 58 courts, 54 responded (93%). Those responses are summarized, above, in the rationale for Recommendation 1. The AOC also presented its proposed report to an ad hoc group of CEAC members on July 9, 2013, for review and comment and to the Trial Court Facility Modification Advisory Committee at its July 12, 2013, meeting. Both advisory committees approved the recommendations presented above.

Alternatives

In preparing the recommendations, the AOC considered, but ultimately rejected, alternative proposals that the Judicial Council (1) decline to adopt a new CFR Procedure enabling courts to contribute funding, via allocation reduction, to cover the costs of their urgent facilities needs; (2) delegate authority to approve CFRs to another advisory body, such as the Court Facilities Advisory Committee; or (3) require more or less frequent reporting from the Trial Court Facility Modification Advisory Committee.

No new CFR Procedure. The AOC considered recommending against adoption of a new CFR Procedure for new requests. It does not present such a recommendation, however, because a

strong majority of the courts that responded to the survey favor adoption of the procedure (73% of those who responded, or 57% of all superior courts) to maximize the alternatives available for meeting court facilities needs going forward. The AOC concurs that the alternative is needed to avoid greater problems absent a legislative change permitting broader court spending on facilities,¹³ which we understand to be unlikely in the near future.

Because alternative state funding sources are fully committed, if courts are not able to contribute funding for lease renewals, some will have to consolidate into inadequate remaining space, with attendant moving costs, branch closures, and reduced public services. Enabling courts to contribute, via allocation reduction, to unallowable rule 10.810 costs also makes it possible to address facilities needs that are a court priority and otherwise would be unmet due to inadequate state funding for court facilities. Enabling courts to contribute, via allocation reduction, to allowable rule 10.810 costs that they otherwise might pay themselves (e.g., interior painting or flooring repair) means savings for courts, as the AOC handles related work for them.

Delegate CFR approval authority to another Judicial Council committee. The AOC considered recommending that the Judicial Council delegate authority to approve CFRs to another committee, rather than to the Trial Court Facility Modification Advisory Committee. It considered, for example, recommending that the delegation be to the Court Facilities Advisory Committee, which also provides oversight for facilities matters. The Court Facilities Advisory Committee is charged with overseeing new court construction, however, so it does not deal with ongoing leases or maintenance and modifications of existing facilities. As those topics are within the purview of the Trial Court Facility Modification Advisory Committee, it is the best equipped to oversee the proposed new CFR Procedure. Accordingly, the AOC recommends the delegation be to the latter committee.

More or less frequent reporting regarding the CFR Procedure. The AOC considered recommending that the Trial Court Facility Modification Advisory Committee provide, at each Judicial Council meeting, an informational report about CFRs that the committee had granted since the previous council meeting. Given recent budget cuts and related AOC staffing reductions, however, the reporting requirements would be difficult to meet. The AOC also considered recommending that the committee report to the Judicial Council once, at the start of each fiscal year, about CFRs that it granted the previous fiscal year. Reporting only once annually, however, would not seem to ensure the council sufficient information about court facilities needs and financial contributions to meet statutory oversight responsibilities in these

¹³ See Gov. Code, § 77009; Cal. Rules of Court, rule 10.810; *Trial Court Financial Policies and Procedures Manual*, FIN 3.01, 6.3, para. 5 (collectively imposing limits on court facilities spending).

areas.¹⁴ It also would not seem to provide the council adequate information about committee decision-making under the recommended delegation.¹⁵

Implementation Requirements, Costs, and Operational Impacts

To implement the above recommendations, if approved, the AOC would have to gather, analyze, and report to the Trial Court Facility Modification Advisory Committee regarding all CFRs; purchase, provide, and manage facilities-related goods and services and leases; report to courts on the resulting costs and the corresponding proposed allocation and distribution reductions; direct and record those reductions; support the advisory committee in reporting to the council on a quarterly basis about all CFRs that are granted; and report to the advisory committee on service work order requests received since the committee's last meeting. The actions are recommended to ensure that the advisory committee and the council have sufficient information to fully oversee the proposed new CFR Procedure.

If the recommendation is approved, all courts will be able to rely on the AOC for purchase and management of facilities-related goods and services allowable under rule 10.810, thereby conserving their administrative resources, reducing overhead costs, and possibly increasing efficiency. Courts that have the financial resources may choose to address local facility-related priorities and contribute to other facilities costs (i.e., costs not allowable under rule 10.810, such as utilities, repairs, modification, and certain leases) that otherwise would not be possible, or would require significantly longer waits, if the only recourse were to existing state facilities funding, which is both inadequate and fully committed to projects deemed a higher statewide priority.

Relevant Strategic Plan Goals and Operational Plan Objectives

The recommended council actions support Goal III (Modernization of Management and Administration) and Goal VI (Branchwide Infrastructure for Service Excellence).

Attachments

1. Court-Funded Request Form (revised)

¹⁴ See, e.g., Gov. Code, § 70391(e) (The Judicial Council must “[e]stablish policies, procedures, and guidelines for ensuring that the courts have adequate and sufficient facilities”); *id.*, § 68502.5(c)(1) (“The Judicial Council shall retain ultimate responsibility to adopt a budget and allocate funding for the trial courts” and shall perform other activities to assure courts can carry out their functions, and promote implementation of statewide policies).

¹⁵ See, e.g., *County of Los Angeles v. Nesvig* (1965) 231 Cal.App.2d 603, 616 (In delegating authority, a public entity must retain sufficient control to “safeguard the public interest”).

Judicial Council – Administrative Office of the Courts Court-Funded Facilities Request (CFR) Form

Superior Court of California, County of _____
 AOC Building ID: _____ Building Name: _____
 Court Contact Name and Title: _____
 E-mail: _____ Telephone: _____

Before completing this form, please contact AOC staff to discuss the court’s facilities-related request and anticipated costs. The following AOC staff can assist the court in developing cost estimates and securing related services:

- For lease-related costs: Eunice Calvert-Banks, 415-865-4048, eunice.calvert-banks@jud.ca.gov
- For other facilities-related services or work: please contact your AOC regional facility representative.

Please submit this completed form—via e-mail, fax, or regular mail—to:

Sarah Sanchez
 Office of Real Estate and Facilities Management
 Judicial and Court Administrative Services Division
 Administrative Office of the Courts
 455 Golden Gate Avenue
 San Francisco, CA 94102-3688
 Tel: 415-865-4021; Fax: 415-865-8885
 E-mail: sarah.sanchez@jud.ca.gov

The Judicial Council has delegated to the Trial Court Facility Modification Advisory Committee the authority to approve new Court-Funded Facilities Requests (CFRs) if all of the following are true:

1. The court contribution will be used exclusively to pay for the following urgent court facilities needs:
 - i. Lease-related costs (i.e., lease payments and operating costs, repairs, or modifications required by a lease);
 - ii. Costs that are allowable court operations expenditures under rule 10.810 of the California Rules of Court (i.e., equipment, furnishings, interior painting, flooring replacement or repair, furniture repair, or records storage), if the court prefers to have the AOC handle the matter on its behalf;¹ or
 - iii. Other facility improvements that are not allowable court operations expenditures under rule 10.810 (i.e., facilities operations, maintenance, repairs, and modifications but not capital projects), if they would improve a court’s functioning or reduce ongoing court operating costs.

¹ Courts retain the option of making rule 10.810 allowable expenditures on their own, without resorting to the new CFR Procedure or an allocation reduction.

Judicial Council – Administrative Office of the Courts Court-Funded Facilities Request (CFR) Form

2. If the court financial contribution will pay lease-related costs:
 - i. The AOC holds or has accepted assignment of the lease;
 - ii. The lease term will not exceed five years; and
 - iii. Any lease renewal (including renewals pursuant to an option contained in an existing lease contract) must be considered as a new CFR.
3. Courts wishing to contribute funding for multiple small projects that are non-lease items in a fiscal year may expedite the approval process by submitting a single CFR, under the following procedure:
 - i. The CFR proposes a maximum fiscal year budget (i.e., the court's cumulative total financial contribution) for small projects that year;
 - ii. Following approval of that amount, the court will submit individual service work order requests, to be charged against its authorized maximum annual fiscal year budget as follows:
 - a. Individual service work orders may not exceed \$15,000.
 - b. Each service work order will identify the type of service requested, and state whether the work is rule 10.810 allowable or unallowable.
 - c. If the work is rule 10.810 allowable, the service work order will provide a brief explanation of the reason that the court prefers to have the AOC handle the matter on its behalf.
 - d. If the work is not allowable under rule 10.810, the service work order will provide a brief explanation of how the requested work will improve the court's functioning or reduce ongoing court operating costs.
 - e. Once a maximum fiscal year budget for small projects has been approved, a regional manager for the AOC's Facilities Management Unit may approve individual service work order requests.
 - f. The AOC's Facilities Management Unit must report at each meeting of the Trial Court Facility Modification Advisory Committee on disposition of all individual service work order requests received since the committee's last meeting.
 - iii. A court's cumulative financial contribution via service work orders may not exceed the maximum fiscal year budget established under the original CFR. Work requiring expenditures beyond that established budget will require a new CFR.
4. The court's presiding judge or court executive officer submits a CFR application demonstrating the court's ability to meet the financial commitment.
5. The AOC's Fiscal Services Office (FSO) will review the court's application and any other relevant information, may request further information from the court as needed, and will advise if it has concerns about the court's ability to meet the proposed financial commitment.
6. If there are no unresolved FSO concerns, the court will execute an intra-branch agreement (IBA) with the AOC, authorizing the AOC to directly pay the costs covered by the court's CFR from the Trial Court Trust Fund (TCTF), making a corresponding reduction to the court's TCTF allocation.

Judicial Council – Administrative Office of the Courts Court-Funded Facilities Request (CFR) Form

7. Any court submitting a CFR application must agree that its TCTF allocation will be reduced, during the period specified in the application, if approved, to meet the full financial commitment, notwithstanding any other court financial needs that may arise, as other court facilities funding sources are fully committed and therefore not available to replace a court contribution.
8. If the AOC's FSO has concerns about a court's ability to meet a proposed financial commitment, it may present those concerns to the Trial Court Facility Modification Advisory Committee, and the court may present a response.

The Trial Court Facility Modification Advisory Committee will provide, on a quarterly basis, an informational report to the Judicial Council about all CFRs granted during the previous quarter, with reports to specify the nature of the cost covered by each court's contribution, the reason each request was considered urgent, and key terms for any leases (e.g., start and end date of term, options to renew, early termination provisions, total cost, and covered improvements).

Judicial Council – Administrative Office of the Courts Court-Funded Facilities Request (CFR) Form

Superior Court of California, County of _____ AOC Building ID: _____
 Building Name: _____
 Building Address: _____

1. Indicate nature of urgent request (check one):

- Lease-related cost (excluding records storage)
 Lease payment only, OR Lease payment including tenant improvement costs
- Lease for records storage only
 Lease payment only, OR Lease payment including tenant improvement costs
- Facilities-related cost allowable under rule 10.810 (i.e., equipment, furnishings, interior painting, flooring replacement or repair, or furniture repair).
- Facilities-related cost that is *not* allowable under rule 10.810 (e.g., facility modification), needed to improve court operations or reduce operating costs.
- Annual budget needs to be established to address multiple small projects, under \$15,000 each.

2. Provide cost estimate, identify funding source, and attach documentation reflecting court's ability to meet financial commitment:

Estimated Cost: \$_____ One-time \$_____ Ongoing \$_____

Please identify the amount to be committed from each of the funding sources, which, when totaled, should equal the Estimated Cost.

Fund source: Operating Budget Amount: \$ _____
 Grant Funds Amount: \$ _____
 (specify grant title): _____
 Salary Savings Amount: \$ _____
 Fund Balance (Reserves) Amount: \$ _____
 Other Amount: \$ _____
 (explain): _____

- Attach documentation supporting the court's ability to meet its financial commitment through term of request (include cost-estimate calculations in Excel format).
- Check this box if the court received a loan or advance from the TCTF or other judicial branch fund in the current or last fiscal year or anticipates requesting one in the current fiscal year.

3. Describe the costs that the court's proposed funding contribution would cover (attach additional pages if necessary):

4. If the request would fund a lease:

- Describe the planned use of the space (e.g., records storage, courtroom, offices); multi-use space should be separated by use with percentage of occupancy provided for each;
- State the start and ending dates of the lease term and any options for renewal;
- State the scope and cost of all Tenant Improvements to be performed on facility if lease is approved; and

Judicial Council – Administrative Office of the Courts
Court-Funded Facilities Request (CFR) Form

- State the number of court officers and staff to be located in the space. Note: For space to be designated as records storage, the duties of the staff in the building need to support records storage.
5. If the request would fund a rule 10.810 allowable cost, explain why the court prefers to have the AOC perform the required work on its behalf.
 6. Describe why the court deems the request urgent as well as the manner in which operations would be improved or costs reduced if the request is granted:
 7. Describe the court operations that this project will serve and any special considerations or features of the desired services that the court's contribution would fund:

Signature of Presiding Judge or Court Executive Officer

Date



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MEMORANDUM

Date March 14, 2019	Action Requested Approve Report
To Trial Court Budget Advisory Committee	Deadline March 11, 2019
From Leah Rose-Goodwin, Manager, Budget Services	Contact Leah Rose-Goodwin (415) 865-7708 phone leah.rose-goodwin@jud.ca.gov
Subject 2018 Budget Outcomes	

Background

At the September 2018 Judicial Council meeting, the Trial Court Budget Advisory Committee was tasked by the council to report on outcomes related to new branch funding provided in the 2018 Budget. Specifically:

The motion for action also included a reporting requirement or survey regarding the use and expenditure of \$75 million, as well as the \$47.8 million and the \$19.1 million previously approved in July. This includes reporting back on various outcomes expressed by the Administration, Legislature, Judicial Council, and trial courts during the Fiscal Year 2018-19 appropriations cycle: including but not limited to: court budget "snapshots"—ensuring court services and staff are available; opening windows previously closed and rehiring staff to service those windows; restoring or expanding line services; reopening or expanding courtroom use where possible; reducing delays and backlogs; and providing even more self-help in those regards. In addition, the \$60.6 million is identified as discretionary and the \$10 million is to increase the level of court reporters in family law cases. However, if a court demonstrates that their family law court reporting services are fully staffed, the \$10 million allocation will become discretionary funds.

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This memo summarizes the findings from a data request of the trial courts in response to the reporting requirement.

Methodology

In December 2018, courts were asked to provide information about the use of funds provided in the 2018 Budget Act. Courts were told to use their 2018 Budget Snapshot (<http://www.courts.ca.gov/partners/804.htm>) as a reference. Courts were asked to provide information for each of the three types of funding provided in the Budget Act in the following table (see Table 1):

Table 1: Responses requested

Type of funding provided in 2018 Budget Act	Response requested
\$47.8/\$75M discretionary funding	<ul style="list-style-type: none">• The types of services/staffing courts provided;• Cuts courts were able to avoid
\$10M court reporters in family law and/or discretionary	<ul style="list-style-type: none">• How the funding is or will be used to increase the level of court reporters in family law; or• Affirmation that family court reporting services are fully staffed and then, if so, how funding will be used for discretionary purposes
\$19.1M Self help	<ul style="list-style-type: none">• How additional funds would be used, notable accomplishments, website updates

Fifty-six courts responded to the information request; the two smallest courts (Alpine and Sierra) were exempted from responding to the survey because they did not receive any of the new funding. The free-form responses were coded and categorized into uses (i.e. how the funding was used) and benefits (i.e. what the funding achieved) and have been compiled into the following report.

Since there might be differences in interpretation or understanding between what a court submitted and how Judicial Council staff coded the responses, there might be a need to modify a response or reporting. Those changes will be made prior to submission to the Judicial Council.

Findings

Discretionary Funding (\$65 million and \$47.8 million to courts below the average funding level)

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Courts were asked to report on how the discretionary funding was utilized/would be utilized or whether the discretionary funding help avoid any cuts. The top five use categories for discretionary funding are shown in Table 2.

Table 2: Top Five Uses of Discretionary Funding

Use Category	Responding Courts
Increase Staffing via hiring	43
Increase employee salaries/benefits	30
Records Management/CMS Improvements	23
Extend Service Hours/Days	22
Technological Improvements	21

Courts signaled that this increased funding helped to increase public access, decrease backlog, and increase operational stability. Regarding public access, court responses highlighted expanded counter service and phone hours, reopened courtrooms, and outreach to communities previously-underserved or not served. Courts that were able to use the funding to decrease backlog mentioned large-scale projects to bring matters current and restored or new staffing levels to ensure that filings and other workload were kept current or resolved more expeditiously. Technological enhancements, records management, and case management system (CMS) improvements were another often-mentioned use category that encompasses various efforts to enhance operational stability. Replacing old computers, modernizing sound equipment in a courtroom, or implementing a better records management system for better and faster public access are all examples of the improvements made with this funding.

Funding for Court Reporters in Family Law

Courts were asked if they were fully staffed for court reporters in family law. Thirty-nine of the responding courts indicated that they were currently fully staffed, thirteen courts indicated that they were not, and three courts did not provide sufficient information at the time of this report to make a determination (those courts have been asked to clarify their responses.) Of the courts that were not fully staffed, most were smaller, cluster 2 courts.

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Some courts signaled in their responses that they were having difficulties recruiting court reporters. This issue was not exclusive to smaller, rural courts, but was also reported by large, urban courts where ostensibly, the labor pools are larger. Full staffing may be delayed unless there are sufficient resources to meet demand both in the present and in the future.

Furthermore, some courts indicated that while they were able to meet current needs for court reporters in family law, they were uncertain about their ability to sufficiently staff reporters as early as next fiscal year. Some courts specifically mentioned the *Jameson* ruling as a factor that might increase demand for court reporters, as well as increased awareness by the parties of the availability of the service. Difficulties finding qualified reporters both to meet increased demand and to replace retiring reporters is another factor that may affect the number of courts that are able to continue to be fully staffed for court reporters in family law.

- *The court recruited for a court reporter position for family law court however, no applications were received. The court recently reposted the position using a greater number of advertising outlets. Court reporter positions are difficult to recruit in the Central Valley;*
- *The court continues to make every effort to hire additional court reporters for Family Law matters, but recruitments have not yielded qualified candidates;*
- *[The court] added four (4) authorized court reporter positions, however, this endeavor has been met with recruitment challenges.*

Self-Help Funding

The new self-help funding has allowed for an expansion of service to the public. At least 27 courts were able to expand hours of operation or service locations and the same number of courts (though a slightly different list) were able to expand the number of casetypes that would receive self-help assistance. Courts also highlighted new technology, enhancements to allow for more remote access, and increased services in other languages. A complete cataloging of the service expansion will be given in a report to the Judicial Council later this year.

Funding Needs Yet Unmet

The 2018 Budget funding for trial courts allowed for expanded services, increased access, and operational stability. However, courts indicated the need for additional funding to continue to increase or maintain access to justice, enhance services, or avoid reductions or cuts to service. Some of the comments received include:

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- *Still a long process to close the gap of the extended years of budget shortages;*
- *Courts continue to operate at reduced hours to the public;*
- *The funding only partially meets our need. Most family law proceedings will not have court reporter assigned.*
- *Budget shortfall due to decreased civil assessment revenue;*
- *Added 2 Court Reporter positions to increase coverage in Family Law courtrooms. The added positions have increased our staffing to approximately 80% of our court reporter need.*
- *The added staffing has not been sufficient, to-date, to make a marked improvement on the in-person wait times to speak with a clerk; and*
- *Increased costs of doing business.*

The Funding Methodology Subcommittee reviewed this report at its February 28, 2019 meeting. A few clarifying edits were suggested, and the report was approved unanimously for forwarding to this committee.

Recommendation

Approve this report for forwarding to the Judicial Council at its May 16-17, 2019 business meeting.



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MEMORANDUM

Date March 14, 2019	Action Requested Review and Approve
To Trial Court Budget Advisory Committee	Deadline March 21, 2019
From Leah Rose-Goodwin Manager, Budget Services	Contact Leah Rose-Goodwin, Budget Services (415) 865-7708 phone leah.rose-goodwin@jud.ca.gov
Subject Approve Changes to the Workload Formula Adjustment Request Process	

Background

At its August 22, 2013 meeting, the Judicial Council approved a recommendation made by the Trial Court Budget Advisory Committee (TCBAC) to approve the Workload-based Allocation and Funding Methodology (WAFM) Adjustment Request Process and to direct council staff to develop an application form that the trial courts will be required to complete in order to be considered for an adjustment.¹ Periodically, minor subsequent updates to the policy have been made to revise the process timeline, change references to “Administrative Office of the Courts” to “Judicial Council,” and the like. The current proposal is to update references to “Workload-based Allocation and Funding Methodology (WAFM)” to “Workload Formula,” to eliminate references to workload need, and to streamline the language of the policy to make it clearer. The updates will also permit the chair of TCBAC to more quickly refer Adjustment Requests to other advisory committees as deemed appropriate.

¹ See <https://www.courts.ca.gov/documents/jc-20130823-item2.pdf>

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The Funding Methodology Subcommittee reviewed and approved the proposed policy update (Attachment 5A). A tracked changes version is also included for comparison (Attachment 5B). The proposal was approved unanimously for forwarding to TCBAC.

Recommendation

Review and approve the proposed update to the Workload Formula Adjustment Request Process.

Attachments

Attachment 5A: Workload Formula Adjustment Request Procedures

Attachment 5B: Workload Formula Adjustment Request Procedures with Tracked Changes

Workload Formula Adjustment Request Procedures

The submission, review and approval process is under the direction of the Judicial Council and is as follows:

1. Initial requests shall be submitted to the Administrative Director either by the trial court's Presiding Judge or Executive Officer no later than January 15 of each year.
2. The Administrative Director shall forward the request to the Director of Judicial Council Budget Services. The Director, in consultation with the Chair of the Trial Court Budget Advisory Committee (TCBAC) shall review each request and refer the request to the Funding Methodology Subcommittee (FMS) no later than April. If the request is more appropriately referred to another advisory committee, the Chair may do so immediately. The Chair will notify the TCBAC no later than April of requests that have been referred to other advisory bodies.
3. FMS shall review the referral from TCBAC and prioritize the request into the proposed annual work plan to be submitted back to TCBAC no later than July.
4. Once prioritized, requests will be evaluated by FMS. The review of Workload Formula Adjustment Requests is a three-step process:
 - a) initial review to determine whether the factor identified in a court's request should form the basis of a potential modification to the Workload Formula;
 - b) evaluation of whether and how the modification should occur; and
 - c) evaluation of whether, for those circumstances where it is determined that the factor should ultimately be included in the underlying Resource Assessment Study model (RAS), an interim adjustment should be made to a trial court's Workload Formula pending a more formal adjustment to the RAS model.
5. FMS shall review any requests and present its recommendation(s) to TCBAC no later than January prior to the year proposed for implementation.
6. TCBAC shall make final recommendations to the Judicial Council for consideration no later than April. Requested adjustments that are approved by the Judicial Council shall be included in the allocation based on the timing included in the recommendation. TCBAC will make no further recommendations for changes to the Workload Formula impacting the next fiscal year.
7. Upon approval by the Judicial Council of an adjustment to the Workload Formula, the Director, in consultation with TCBAC, shall notify all trial courts. In some circumstances, the nature of the adjustment will automatically apply to all courts.
8. This policy does not preclude FMS from taking expedited action per the direction of TCBAC.

Trial courts requesting an adjustment in accordance with the Workload Formula Adjustment Request Procedures shall be required to submit detailed information documenting the need for such adjustment as follows:

1. A description of how the factor is not currently accounted for in the Workload Formula.
2. Identification and description of the basis for which the adjustment is requested.
3. A detailed analysis of why the adjustment is necessary.
4. A description of whether the unaccounted-for factor is unique to the applicant court(s) or has broader applications.
5. Detailed description of staffing need(s) and/or costs required to support the factor that is unaccounted for by the Workload Formula.
6. Description of the consequence to the public and access to justice without the funding.
7. Description of the consequences to the requesting court(s) of not receiving the funding.
8. Any additional information requested by the Judicial Council Budget Services, FMS, and/or TCBAC deemed necessary to fully evaluate the request.

Workload-Based Allocation and Funding Methodology (WAFM) Formula Adjustment Request Procedures

The submission, review and approval process ~~is shall be~~ under the direction of the Judicial Council and ~~would be is~~ as follows:

1. Initial requests shall be submitted to the Administrative Director either by the trial court's Presiding Judge or Executive Officer no later than January 15 of each year, ~~commencing January 15, 2018.~~
2. The Administrative Director shall forward the request to the Director of Judicial Council Budget Services. The Director ~~of the Judicial Council Budget Services,~~ in consultation with the Chair of the Trial Court Budget Advisory Committee (TCBAC) shall review each request and refer the request to the Funding Methodology Subcommittee (FMS) ~~no later than at the April-meeting of the TCBAC.~~ If the request is more appropriately referred to another advisory committee, the Chair may do so immediately. The Chair will notify the TCBAC no later than April of requests that have been referred to other advisory bodies.
3. ~~The Funding Methodology Subcommittee FMS~~ shall review the referral from TCBAC and prioritize the request into the proposed annual work plan to be submitted back to TCBAC ~~in no later than July of the new fiscal year.~~
4. Once prioritized, requests will be evaluated by ~~the TCBAC's Funding Methodology Subcommittee FMS.~~ The review of ~~WAFM Workload Formula~~ Adjustment Requests ~~shall include a three-step process including is a three-step process:~~
 - a) initial review to determine whether the factor identified in a court's request should form the basis of a potential modification to ~~WAFM~~ the Workload Formula;
 - b) evaluation of whether and how the modification should occur; and
 - c) evaluation of whether, for those circumstances where it is determined that the factor should ultimately be included in the underlying Resource Assessment Study model (RAS), an interim adjustment should be made to a trial court's ~~WAFM funding need~~ Workload Formula pending a more formal adjustment to the RAS model.
5. ~~The Funding Methodology Subcommittee FMS~~ shall review any requests and present its recommendation(s) to ~~the~~ TCBAC no later than January prior to the year proposed for implementation.
6. TCBAC shall make final recommendations to the Judicial Council for consideration no later than April. Requested adjustments that are approved by the Judicial Council shall be included in the allocation based on the timing included in the recommendation. TCBAC will make no further recommendations for changes to the ~~WAFM~~ Workload Formula impacting the next fiscal year.

~~7.~~ Upon approval by the Judicial Council of an adjustment to the Workload Formula, the Director,

in consultation with TCBAC, shall notify all trial courts. In some circumstances, the nature of the adjustment will automatically apply to all courts. -

~~8. Adjustments to WAFM the Workload Formula will impact the funding need workload-based funding estimate for each trial court that is subject to the adjustment, along with the overall statewide funding need workload-based estimate. Therefore, final allocations will be implemented consistent with the WAFM Workload Formula allocation implementation plan as approved by the Judicial Council or as amended in the future. Because funding need is currently greater than available funding and because only a portion of trial court funding is currently allocated under the WAFM, allocated funding will not equal, and may be substantially less than, the funding need identified for the adjustment being made, just as the allocated funding is substantially less than the entire WAFM funding need~~

~~9.7.~~

~~10.8.~~ This policy does not preclude ~~Funding Methodology subcommittee~~ FMS from taking expedited action per the direction of TCBCAC.

Trial courts requesting an adjustment in accordance with the ~~WAFM~~ Workload Formula Adjustment Request Procedures shall be required to submit detailed information documenting the need for such adjustment ~~as follows. The Director of Budget Services shall develop an application form that solicits at minimum, the following information:~~

1. A description of how the factor is not currently accounted for in ~~WAFM~~ the Workload Formula.
2. Identification and description of the basis for which the adjustment is requested.
3. A detailed analysis of why the adjustment is necessary.
4. A description of whether the unaccounted-for factor is unique to the applicant court(s) or has broader applications.
5. Detailed description of staffing need(s) and/or costs required to support the factor that is unaccounted for by ~~WAFM~~ the Workload Formula.
6. Description of the consequence to the public and access to justice without the funding.
7. Description of the consequences to the requesting court(s) of not receiving the funding.
8. Any additional information requested by the JCC Judicial Council Budget Services, ~~Funding Methodology Subcommittee~~ FMS, and/or TCBCAC deemed necessary to fully evaluate the request.



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MEMORANDUM

Date March 14, 2019	Action Requested Review and Approve Recommendation
To Trial Court Budget Advisory Committee	Deadline March 21, 2019
From Leah Rose-Goodwin, Manager, Budget Services	Contact Leah Rose-Goodwin (415) 865-7708 phone leah.rose-goodwin@jud.ca.gov
Subject Adjustment Request Process: Proposals Received	

Background

The updated Adjustment Request policy states: *“the Director of Judicial Council Budget Services, in consultation with the Chair of the Trial Court Budget Advisory Committee (TCBAC), is to review each request and make a referral to the Funding Methodology Subcommittee (FMS) no later than April. If the request is more appropriately referred to another advisory committee, the Chair may do so immediately. The Chair will notify the TCBAC no later than April of requests that have been referred to other advisory bodies.”*

Four requests for adjustments were received this year. To summarize:

Request 1: Proposal from the Sacramento Superior Court to adjust the staff-year value in the Resource Assessment Study (RAS) model, which is used to quantify available work time for trial court employees in the Workload Formula (Attachment 6A).

Request 2: A request that Assessed Judicial Need, the RAS model and the Workload Formula be adjusted to take into account courts’ varying degrees of need for language

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access services and the resultant impact on case processing workload. This request was submitted by the Monterey Superior Court (Attachment 6B).

Request 3: Proposal to adopt a new RAS case weight for, and to include in the Workload Formula, certification hearings performed under Welfare and Institutions Code sections 5256 et seq. This request was submitted by the Superior Courts of Los Angeles and San Diego (Attachment 6C).

Request 4: A proposal to modify the Workload Formula to account for the required resources to operate multiple location courts – specifically small courts with multiple locations. This request was submitted by the El Dorado Superior Court (Attachment 6D).

Analysis

The subject matter of Request 1 was discussed at the February 25, 2019 Workload Assessment Advisory Committee (WAAC) meeting, and the committee is forwarding a recommendation to the Judicial Council to revise the work year value consistent with the request made by the court. As such, no further action by TCBAC is required at this time.

Request 2 concerns the workload impact of cases that require interpretation, with impacts being felt by judicial officers and case processing staff. Issues concerning workload measurement should be referred to the Workload Assessment Advisory Committee. However, to the extent that a workload analysis may provide data that would be helpful to TCBAC and the advisory bodies that support language access, there might be the need for continued coordination and information-sharing between all of those committees.

The third request concerns workload measurement in the RAS model and should be referred to WAAC.

The final request concerns adjustments to the Workload Formula that would account for multiple locations. This request should be referred to FMS for consideration. The policy states that FMS shall review the referral from TCBAC and prioritize the request into the proposed annual work plan to be submitted back to TCBAC no later than July.

March 14, 2019

Page 3

Recommendation

The staff recommendation is that Trial Court Budget Advisory Committee refer requests 2 and 3 to the Workload Assessment Advisory Committee and refer request 4 to the Funding Methodology Subcommittee for prioritization into its work plan. Request 1 has been completed and no further action is required at this time.

Attachments

Attachment 6A: Sacramento Superior Court Submission

Attachment 6B: Monterey Superior Court Submission

Attachment 6C: Los Angeles and San Diego Superior Courts Submission

Attachment 6D: El Dorado Superior Court Submission



SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

LLOYD G. CONNELLY
COURT EXECUTIVE OFFICER

720 NINTH STREET
SACRAMENTO, CALIFORNIA 95814
(916) 874-6328

January 14, 2019

VIA EMAIL ATTACHMENT

Martin Hoshino
Administrative Director
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102

RE: Workload-Based Allocation and Funding Methodology (WAFM) Adjustment Request

Dear Mr. Hoshino,

The Superior Court of California, County of Sacramento respectfully submits the following WAFM Adjustment Request regarding the staff-year value to quantify available work time for trial court employees in the WAFM formula that was adopted by the Judicial Council in July 2017. The court believes that the WAFM funding formula currently indicates a need for fewer staff to do the work. To the extent that filings continue to drop statewide, a 15 percent reduction in filings would suggest that the Courts are overstaffed. If the filings continue to drop and the California economy experiences a recession, the Courts would appear to be overstaffed and subject the Branch to budget reductions. This would have the effect of creating backlogs and longer wait lines for Court services.

1) Description of how the factor is not currently accounted for in WAFM:

While the staff-year work value is currently a factor in the WAFM model, the new rate that was adopted is not in line with the Executive Branch employee's productive hourly rate or consistent with prior year RAS studies. Prior to 2018, and since the inception of the WAFM model, the staff-year work value for the Judicial Branch had been 95,700 minutes (1,595 productive hours) and based on the RAS Study in 2016, it adjusted to 98,550 (1,643 productive hours).

The Judicial Council staff then did a comparative study to the staff-year value used by the Department of Finance that utilizes a staff-year value of 111,360 minutes or 1,856 productive hours (a change in 261 productive hours annually). The Judicial Council subsequently adopted

the DOF rate that far exceeds the range in productive hours consistently proven by the RAS studies since 2005.

Historically, the annual productive hourly rate used for employees in the Executive Branch (confirmed by the Department of Justice) is a staff-year work value of 1,776 productive hours.

2) Basis for adjustment request:

The court asks the Judicial Council to consider adopting the staff-year work value of 1,776 instead of the adopted work value of 1,856. This would bring the Judicial Branch staff-year work value more in line with prior RAS studies and we believe a fair rate consistently used in the Executive Branch.

3) Analysis of adjustment necessity:

The staff-year value under the previous RAS Studies has been 1,595 productive hours per year. The court conducted an internal analysis of the staff-year value in Sacramento which is 1,685 slightly higher than the proven RAS study findings. However, in 2017, the RAS formula was increased to 1,856 which is not within range of the RAS study findings nor the actuals compiled by the local court.

4) Unique or broad application

The staff-year work value adopted by the Judicial Council, and as recommended by the Workload Assessment Advisory Committee in 2017, that is now utilized in the WAFM formula has broad application. This value is critical in determining the number of full time staff necessary for each court for Program 10, court operations. Other court staff such as managers, supervisors and administration is based on this number and they are affected as well. Based on the statewide 2018-19 WAFM need, if we estimate using 1,856 instead of 1,776, this underestimates the staff need for court operations (Program 10) by 566 positions, underestimates managers and supervisors by 59 positions and underestimates administration positions by 98. Taken together the impact across the branch is 723 positions or about 4.5 percent.

The 2018-19 Trial Court Base allocations identifies a WAFM funding to need across the Branch of 85.7 percent. Because this calculation is based on 1,856 it overstates the current resources by 4.5 percent. This would likely lead to a WAFM funding to need of 81.2 percent.

5) Public access consequence:

The court believes that based on this adjustment, the WAFM funding formula currently indicates a need for fewer staff to do the work. To the extent that filings continue to drop, a 15 percent reduction in filings would suggest that the Courts are overstaffed. If the filings continue to drop and the California economy experiences a recession, the Courts would appear to be overstaffed and subject the Branch to budget reductions. This would have the effect of creating backlogs and longer wait lines for Court services.

6) Consequences of not receiving funding:

To the extent that court filings continue to drop and the Governor and Legislature are reducing programs, it could expose the Branch to bigger reductions. This would have the effect of creating backlogs and longer wait lines for Court services.

7) Additional information:

The Sacramento Superior Court presented this concern/issue to the WAAC in January 2018. The request was not formally pursued. At a minimum, the court respectfully requests that the Finance Division and the WAAC conduct a more formal analysis of the staff-year work value used in the Executive Branch. As previously indicated, the Department of Justice has historically used a rate of 1,776 but yet the rate of 1,856 was adopted as used by the Department of Finance.

Thank you for your consideration of this request. If you have any questions or comments, please do not hesitate to contact me.

Sincerely,



Lloyd Connelly
Court Executive Officer
Sacramento Superior Court



SUPERIOR COURT OF CALIFORNIA
COUNTY OF MONTEREY

240 Church Street, Salinas, California 93901 - (831) 775-5400
www.monterey.courts.ca.gov

LYDIA M. VILLARREAL
Presiding Judge
2018 - 2020

JULIE R. CULVER
Asst. Presiding Judge

CHRIS RUHL
Court Executive Officer

January 15, 2019

Martin Hoshino
Administrative Director
Judicial Council of California

Via Email

RE: WAFM Adjustment Request – Monterey Superior Court

Dear Mr. Hoshino:

Pursuant to the December 3, 2018 email to Presiding Judges and Court Executive Officers from Leah Rose-Goodwin, please accept this letter as the Monterey County Superior Court's request for a Workload-based Allocation and Funding Methodology (WAFM) Adjustment.

As you will see below, this is not so much a request for specific funding. It is more a request that would likely impact all courts in assessing trial court judicial and staff resource needs for purposes of calculating courts' Assessed Judicial Need (AJN), Resource Assessment Study (RAS) staffing needs, and WAFM share. **In particular, we request that AJN, RAS and WAFM be adjusted to take into account courts' varying degrees of need for language access services and the resultant impact on case processing workload.**

One of the benefits of working for more than one trial court in different areas of the state is that one gets to see the impact that economics, demographics, etc. have on court operations.

Since coming to Monterey from Mendocino, I have been struck by the high needs for language access in this Court. That is not surprising, as the population of Monterey County is nearly 60% Latino/a. In addition, with the very large percentage of migrant and immigrant agricultural workers (Monterey also has the highest percentage of non-citizens of any county in the state), we are seeing greater and greater need not only for Spanish language access services, but also for an increasing number of indigenous Mexican or Central American languages. More than 54% of this county's population speaks a language other than English, according to recent census data: <https://www.census.gov/quickfacts/fact/table/montereycountycalifornia/RHI725217>

I see all of this playing out in very concrete ways in our courtrooms. Cases requiring an interpreter (or interpreters) take longer to process – especially in the courtroom – thus requiring both more judicial time and more staff time than cases that do not involve interpreters. And that additional time is further magnified in cases involving speakers of indigenous Mexican or Central American languages, which often require use of a Spanish “relay” interpreter in addition to an interpreter in the indigenous language.¹

All of that is to say – I am seeing that in a county and court like Monterey, with such a relatively high need for interpreters and language access, there appears to be more judicial and staff time needed to process cases than in counties and courts without, or with substantially less, such need.

I decided to inquire with JCC’s Office of Court Research (OCR) about this. Specifically I asked whether either the Judicial Needs Assessment or RAS take this practical consideration into account in any way in assessing either judicial or staff need in the trial courts.

OCR indicated that this consideration is not captured very well in either the RAS or Judicial Workload models. Although their workload studies do capture time spent on cases requiring interpreter services, that case processing time is only used to calculate the average case processing time, or caseweight, for a given case type. That caseweight is then applied statewide; so there is no differentiation between courts with potentially greater workloads due to a higher percentage of cases requiring interpreter services, and those with more linguistically homogeneous populations.

Of course, there is a nexus between this and the related need to create a sustainable and adequate funding stream for Language Access services, and in particular for interpreter services. But this request deals specifically with the impact of language access needs on judicial and non-interpreter court staff resources.

We also understand there would be a need for more detailed data on how the workload and processing time for interpreter cases is different than for non-interpreter cases. Perhaps this is something that could be included in the current initiatives concerning Data Analytics, to help create an analytical framework for assessing the impact that language access needs have on the workload of all California trial courts.

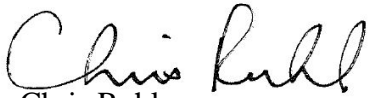
I have not yet asked court staff here in Monterey to quantify exactly how many of our cases require an interpreter (including indigenous languages that require an additional, relay interpreter). But if that would help inform your consideration of this request for purposes of either AJN or RAS/WAFM, we would certainly do so.

¹ Another unique but significant operational/workload impact when looking for interpreters for Mexican or Central American indigenous languages is the time it takes *just to determine which language is needed*. For example, if we are told that a litigant needs a Triqui interpreter, we will find an interpreter who speaks Triqui. Often we find that we have brought in an interpreter who speaks a different kind of Triqui. (The analogy that has been given to us is: If we were told a party needs a romance language, we would not know which romance language. If we guess French and the party speaks Spanish, we still have no communication.) So we then need to look for a new interpreter. We have found we need to look for an interpreter from the party’s particular home region or community in Mexico or Central America. We are often looking for a needle in a haystack. It is especially daunting when the interpreter is needed in a criminal case in which a party has a right to a speedy trial.

And of course, we would be happy to respond to any questions or provide any other additional information to likewise help inform your consideration of this request.

Thank you and the Trial Court Budget Advisory Committee (TCBAC) for the opportunity to submit this WAFM Adjustment Request.

Sincerely,

A handwritten signature in black ink that reads "Chris Ruhl". The signature is written in a cursive, flowing style.

Chris Ruhl

Executive Officer

Superior Court of California, County of Monterey

240 Church Street

Salinas, CA 93901

(831) 775-5678

CC: Trial Court Budget Advisory Committee



December 14, 2018

Martin Hoshino
Administrative Director
Judicial Council of California
455 Golden Gate Ave.
San Francisco, CA

Re: Workload-Based Allocation and Funding Methodology (WAFM) Adjustment Request

Dear Mr. Hoshino,

Please accept the attached WAFM Adjustment Request, jointly proposed by the Superior Courts of Los Angeles and San Diego, to include in the RAS and WAFM models the workload from certification hospital hearings under Welfare and Institutions Code 5256 and other sections, as proposed in the attached request.

Sincerely,

Handwritten signature of Sherri R. Carter in blue ink.

Sherri R. Carter
Executive Officer/Clerk of Court
Los Angeles Superior Court

Handwritten signature of Michael M. Roddy in blue ink.

Michael M. Roddy
Executive Officer
San Diego Superior Court

c: Hon. Jonathan B. Conklin, Trial Court Budget Advisory Committee Chair
tcbac@jud.ca.gov

Proposal to adopt a new RAS case weight for, and to include in WAFM, certification hearings performed under Welfare and Institutions Code sections 5256 et seq.

Jointly proposed by the Los Angeles Superior Court and the San Diego Superior Court.

1. A description of how the factor is not currently accounted for in WAFM.

The Welfare and Institutions Code requires hearing officers for the purpose of conducting hospital-based hearings under section 5256.1 and other sections (see below for more detail). In certain counties, the Superior Court funds the costs of these hearing officers per California Rule of Court 10.810(d), which includes as allowable costs "mental health hearing officer" under Function 10. The workload involved in these hearings is not captured by RAS/WAFM.

First, the workload of the certification hearings is not picked up through any existing workload categories in RAS/WAFM. Certification hearings are done after a "5150 hold" is placed upon an individual, and the hospital holding the individual desires to extend the hold. The hearings are not "subsequent" hearings related to any other type of filing measured by RAS. They do not typically arise pursuant to an LPS Conservatorship, a question of competence to stand trial, or other mental health proceeding; the court is not involved in a 5150 hold. This is orphaned workload; RAS does not capture this workload in any case category and thus WAFM does not fund it.

Second, JCC staff does not include certification as new filings under RAS/WAFM. In fact, until revisions were made to the JBSIS Manual in January, 2018, JBSIS was not able to capture these hearings as workload. JBSIS Manual v2.3 (replaced by v3.0 as of FY18-19) allowed for reporting of these hearings – but not under JBSIS Row 200, which captures new filings used for measurement of workload.¹ Recognizing this gap, the CEAC JBSIS Subcommittee recommended, and the Judicial Council adopted, changes to the JBSIS Manual v3.0 that allow courts to report certification hearings on Row 200 as new filings.

Recognizing differences across the state in how the certification hearings are held, JBSIS Manual v3.0 includes the following definition of reportable workload:

A certification filing should only be counted if the certification hearing is handled by a judge, subordinate judicial officer (SJO), mental health hearing officer of the court, or other court- employed personnel. A certification filing should not be

¹ Technical note: In the Data Matrix under JBSIS v2.3, the JBSIS column in which they were captured, Column 10, did not map onto Row 200, which captures workload. JBSIS Manual v3.0 allows Column 10 filings to be reported on Row 200.

counted if the certification hearing is handled by county personnel not employed by the court. [Judicial Branch: Revisions to the Judicial Branch Statistical Information System (JBSIS), Report to the Judicial Council of December 18, 2017, p. 52.

As noted in the *Report to the Judicial Council* from December 18, 2017, recommending the above revisions to the JBSIS Manual (among other changes), CEAC suggests:

Because of the significant changes to the Mental Health case type categories, the Workload Assessment Advisory Committee (WAAC) will need to evaluate which filings data to use in RAS. [Judicial Branch: Revisions to the Judicial Branch Statistical Information System (JBSIS), Report to the Judicial Council of December 18, 2017, p. 60.

A first step, however, is to determine that this workload belongs in RAS/WAFM. If it is decided that the certification hearings captured by JBSIS should count as workload in RAS, a case weight can be assigned to them and JBSIS-reported workload data can be incorporated in RAS/WAFM.

2. Identification and description of the basis for which adjustment is requested.

The Welfare and Institutions Code requires hearing officers for the purpose of conducting hospital-based hearings as cited below (i.e., "certification review hearings" following involuntary hospitalization under section 5250).

WIC 5256: When a person is certified for intensive treatment pursuant to Sections 5250 and 5270.15, a certification review hearing shall be held unless judicial review has been requested as provided in Sections 5275 and 5276. The certification review hearing shall be within four days of the date on which the person is certified for a period of intensive treatment unless postponed by request of the person or his or her attorney or advocate. Hearings may be postponed for 48 hours or, in counties with a population of 100,000 or less, until the next regularly scheduled hearing date.

WIC 5256.1: The certification review hearing shall be conducted by either a court-appointed commissioner or a referee, or a certification review hearing officer.[...]

WIC 5270.15: (a) Upon the completion of a 14-day period of intensive treatment pursuant to Section 5250, the person may be certified for an additional period of not more than 30 days of intensive treatment[...] (b) A person certified for an additional 30 days pursuant to this article shall be provided a certification review hearing in accordance with Section 5256 unless a judicial review is requested pursuant to Article 5 (commencing with Section 5275).

And see Doe v. Gallinot, 486 F.Supp. 983 (1979), which requires a due process hearing for patients certified for involuntary psychiatric treatment.

In certain counties, the Superior Court funds the costs of these hearing officers per California Rule of Court 10.810(d), which includes as allowable costs "mental health hearing officer" under Function 10. However, RAS does not capture this workload and therefore WAFM does not fund it (see next section).

3. A detailed analysis of why the adjustment is necessary.

No other funding is available for this mandated work. These certification hearings are a statutory mandate.

In both the Los Angeles and San Diego courts, significant court resources are spent on this work (authorized under CRC 10.810):

- In FY17-18, the Los Angeles Superior Court spent \$2.7 million on court-employed hearing referees and support staff dedicated solely to certification hearings.
- In FY17-18, the San Diego Superior court spent \$652,040 on court-employed hearing referees and support staff dedicated solely to certification hearings. *Note: This does not include \$55,537 in employee costs for Riese hearings, which is reimbursed by the County of San Diego.*

These funds are available only from the Courts' WAFM-related allocation; no other funding sources are available. The lack of inclusion in the RAS/WAFM model means that those funds must be reallocated from other areas, reducing each Court's ability to adequately meet other obligations.

4. A description of whether the unaccounted for factor is unique to the applicant court(s) or has broader application.

Any Court that meets the JBSIS definition of court-provided hearing officer in JBSIS Manual 3.0 would be able to report certification hearings and receive RAS/WAFM workload credit for them.

5. Detailed description of staffing need(s) and/or costs required to support the unaccounted for factor. *Employee compensation must be based on WAFM compensation levels, not the requesting court's actual cost.

The RAS case weight is yet to be determined. In FY17-18, the Los Angeles Superior Court spent \$2.7 million on compensation for 15 Mental Health Hearing Officers and four support staff. San

Diego spent \$652,040 on compensation for 2.9 FTEs Mental Health Hearing Officers and 1.4 FTEs support staff.

6. Description of the consequence to the public and access to justice without the funding.

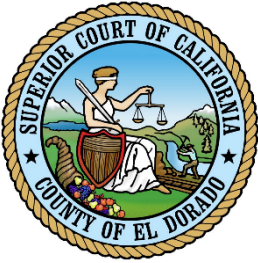
Because RAS/WAFM does not cover this mandated work, the work must be funded from other areas of the Court. Given the fact that all California trial courts are under-resourced, filling this funding gap means that other important services – window clerks, courtroom clerks, or clerical employees processing documents, for instance – are not available to serve the public.

7. Description of the consequences to the requesting court(s) of not receiving the funding.

Because these hearings are statutorily mandated, they must be conducted. The consequences of not receiving the funding to support this work results in funding being taken from other areas of the Court.

8. Any additional information requested by the Fiscal Services Office, Funding Methodology sub-committee or TCBCAC deemed necessary to fully evaluate the request.

The people who are the subjects of certification hearings are among society's most vulnerable. Their liberty is at stake in deep and profound ways. The statutory protections offered by the Welfare and Institutions Code are among the most important duties of a Court. This work is obviously core workload; it deserves RAS/WAFM funding.



SUPERIOR COURT OF CALIFORNIA COUNTY OF EL DORADO

2850 Fairlane Court Suite 110
Placerville, California 95667

The Superior Court of California, County of El Dorado respectfully submits the following WAFM Adjustment Request as the required resources to operate multiple location courts – specifically small courts with multiple locations – is not factored into the WAFM model at this time.

1. A description of how the factor is not currently accounted for in WAFM.

Courts with multiple locations, especially small courts, are not considered in the model for funding distribution. WAFM allocations follow filing trends, failing to take into consideration the minimum staffing level and resources required in each location simply to maintain an acceptable level of continuity of operations at each location. Multiple locations results in duplicative staffing and increased expenses that would not otherwise be incurred for a single-site court.

This Court is requesting that WAFM be modified to take into consideration the additional resources required to keep small, multi-location courts operating at the expected standard and level of efficiency required by the Judicial Branch, and its own mission statement.

2. Identification and description of the basis for which the adjustment is requested.

Our Court is spread out over 5 locations and 80 miles, with one courthouse located in South Lake Tahoe. Travel is often impacted in the winter and spring due to unpredictable weather and mountain conditions. The budget is insufficient to allow full time public access to justice due to the increased consumption of resources necessary to operate multiple court locations.

3. A detailed analysis of why the adjustment is necessary.

Due to WAFM underfunding in prior years, this Court has been reliant on court fees to help fund operational expenses. The significant decline in court fees collected has made the need for a WAFM adjustment even more critical. If our Court was in one centralized location, we would be able to fund sufficient staffing levels, due to substantial reductions in duplicative operational costs and staffing requirements. However, since we have multiple locations, we have had to fund greater operational costs, and stretch staffing over those locations.

WAFM funding adjusts pursuant to filing trends, recalculating the court's share on an annual basis. Consideration of multiple locations as a factor in determining "baseline resources," i.e. complement of staffing, necessary for court locations to remain able to serve the public at a standard level of operating should be part of the determining factor in WAFM allocations. Each Court location require minimum staffing levels beyond just clerical; administrative and support

positions are also be required. For example, our South Lake Tahoe branch is so far removed from other court locations, it requires its own operations manager, a minimum of administrative staff and court reporters, its own lead clerk, as well as clerical staff, simply to maintain operations.

Each location is at its minimum staffing level to function, with reduced public access. We are constantly moving staff – court reporters, clerks, IT staff – between locations to cover for absences due to illness, vacation, training, etc. These transfers raise an issue of liability and actual cost of unproductive driving time, which could be 15 minutes to an hour and a half, depending on locations. Orchestrating these scheduling moves takes a lot of administrative time as well as the aforementioned non-productive driving time, a resource that would be better spent if we had adequate funding to provide adequate staffing levels.

Each location requires duplicate services, such as IT support and equipment; court reporters; interpreters; operational equipment, often with contracts (copiers, postage meters, security equipment); increased vendor expenses due to the South Lake Tahoe location; and, services that would otherwise not be needed at all, such as a courier.

4. A description of whether the unaccounted for factor is unique to the applicant court(s) or has broader applications.

This issue is not unique to our court; in fact all small courts with multiple locations are at a disadvantage with the current model. Small fluctuations in funding to small courts have a direct impact on access to justice for residents in those courts’ counties. This Court has had fewer filings and therefore we receive a smaller allocation than larger courts, but are still required to maintain full time operations in 5 locations.

5. Detailed description of staffing need(s) and/or costs required to support the factor that is unaccounted for by WAFM.

Duplicative expenses are required to maintain 5 court locations. El Dorado Court has had to reduce staffing well below WAFM need to fund operations:

Fiscal Year	WAFM Need	Actual Filled FTE Q4
FY 16/17	82	75.30
FY 17/18	76	71.00
FY18/19	74	69.80 (as of 12/31/18)

Due to its distant location, our South Lake Tahoe court requires 1 Court Operations Manager (\$117,031 average annual salary & benefits per FTE), 1 Child Custody Recommending Counselor (\$130,114), and 1 Lead Clerk (\$91,020), as well as sufficient clerks to provide basic services and support. The total cost for these 3 duplicative positions at one location alone is \$338,165.

Examples of duplicative operational expenses at each location are:

Description	Average/ location	# of locations	Annual expense
Janitorial	\$17,000.00	5	\$ 85,000.00
Postage Meter Lease	1,500.00	4	6,000.00
Copiers	2,500.00	5	12,500.00
Security Equip. Registration	512.00	5	2,560.00
Security Equip. Maintenance (for years not reimbursed by JCC – between replacements)	3,000.00	5	15,000.00
Sonitrol Building Security	3,840.00	5	19,200.00
Shredding services	750.00	5	3,750.00
Data Circuits for interconnecting court facilities	7609.00	4	30,437.00
Servers for each location (avg. every 5 years, <i>annual</i> average/amount stated here)	1,080.00	3	3,240.00
Annual remote server support contract	600.00	3	1,800.00
TOTAL	\$38,391.00		\$179,397.00

Contract court reporter and interpreter expenses are increased for multiple locations. Time could be more efficiently used in a single location, instead of hiring for multiple locations, and not being able to fully utilize the contractor for the entire day or half day.

Other annual operational costs would not be needed at all, such as:

Description	Annual Cost
Courier between courts	\$21,250.00
Fedex between SLT & West Slope	1,000.00
Travel Expense between courts	4,000.00
TOTAL	\$26,250.00

A centralized location is able to operate at a significantly reduced cost.

6. Description of the consequence to the public and access to justice without the funding.

El Dorado has closed its clerk's offices at 3 pm to the public; the phones turn off at 1 pm. Due to inadequate staffing levels, we have been forced to close non-priority divisions (civil, family law) from time to time to keep our mandated dockets covered (criminal and juvenile). Predicting when these one-day or temporary closures will occur is impossible, as it depends on unknown and uncontrollable events such as illness or accident caused vacancies. Not only is access to justice denied, the public is further inconvenienced by not knowing they cannot conduct their business until they arrive to a closed door. We recently had to shut down our mandated small claims night court program, resulting in even longer waits for litigants to get their day in court.

7. Description of the consequences to the requesting court(s) of not receiving the funding.

As our facilities must remain operational, without an increase in funding the Court's only recourse is to further reduce staffing, to utilize salary savings to meet operational expenses. This has a direct negative impact on access to justice. The goal and our mission statement has always been to improve services and increase access to justice for the public. Instead we are holding vacant FTE positions to utilize salary savings for operating costs.

- Shutdown of mandated programs, such as small claims night court
- Even longer wait times to get a court date
- Continued long wait for Court Recommended Counseling appointments
- Continued reduction in accessibility at all courthouse locations to court clerks (currently close at 3 pm each day, may need even shorter days)
- Continued reduction in accessibility to telephonic assistance (phones shut off at 1 pm)
- Inability to implement sustain some mandated services such as juvenile mediation services
- Increased occasional court or division closures
- Longer wait times for customer service, due to decreased staffing levels and open hours
- Difficulty maintaining certain grant related programs due to inability to fund matching requirements

8. Any additional information requested by the JCC Budget Services, Funding Methodology Subcommittee, and/or TCBAC deemed necessary to fully evaluate the request.



JUDICIAL COUNCIL OF CALIFORNIA

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HON. TANI G. CANTIL-SAKAUYE
Chief Justice of California
Chair of the Judicial Council

MR. MARTIN HOSHINO
Administrative Director,
Judicial Council

ADVISORY COMMITTEE
ON AUDITS AND FINANCIAL
ACCOUNTABILITY FOR THE
JUDICIAL BRANCH

HON. DAVID ROSENBERG
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Ms. Sherri Carter
Mr. Kevin Harrigan
Mr. Kevin Lane
Ms. Tania Ugrin-Capobianco
Mr. Phil Jelichich

COMMITTEE STAFF
Mr. Grant Parks
Tel 916-263-1321

AuditCommittee@jud.ca.gov

January 10, 2019

Hon. Jonathan B. Conklin
Superior Court of California,
County of Fresno
1100 Van Ness Avenue
Fresno, California 93724

Ms. Rebecca Fleming,
Superior Court of California,
County of Santa Clara
191 N. First Street
San Jose, CA 95113

Dear Judge Conklin and Ms. Fleming:

Under California Rules of Court, Rule 10.63(b), the Advisory Committee on Audits and Financial Accountability for the Judicial Branch (audit committee) is responsible for making recommendations to the Judicial Council on practices that will promote financial accountability and efficiency. The audit committee may also recommend the Judicial Council take certain actions in response to audit reports that identify substantial issues affecting the judicial branch.

In your roles as the chair and vice chair of the Trial Court Budget Advisory Committee (TCBAC), I wanted to alert you of the audit committee's discussions from December 5, 2018, regarding inconsistencies within the Judicial Council's two different encumbrance policies. The first of these policies had been recommended by TCBAC and ultimately adopted by the Judicial Council on June 27, 2014. The second encumbrance policy is contained within the Trial Court Financial Policies and Procedures Manual (FIN Manual) and has been in effect since September 1, 2010. By writing this letter, the audit committee hopes TCBAC might work with staff from the Judicial Council's Branch Accounting and Procurement Office (BAP) and Budget Services to reconcile and clarify the two disparate policies.

The inconsistency centers on the guidance given to the superior courts with respect to how multi-year agreements should be encumbered (i.e. agreements where the performance period and the delivery of goods or services span multiple fiscal years). This issue becomes important since the Judicial Council Audit Division has been directed to review the trial courts' application of the 1% cap on fund balances and having inconsistent rules and policies makes it difficult to determine compliance.

The Annual Audit Plan Includes the 1% Cap on Court Fund Balance

The annual audit plan calls for the Judicial Council's auditors to review a superior court's adherence to the statutory 1% cap. By including this requirement in the audit plan, the audit committee's intention was to evaluate whether the superior courts were consistently following the Judicial Council's encumbrance policies and to evaluate whether each superior court was correctly calculating their 1% cap and returning, as required, any excess funds to the Trial Court Trust Fund.

As you recall, during the development the of 2012-13 Budget Act, the Legislature and Governor sought to achieve savings for the General Fund by leveraging the accumulated reserves held at the superior courts, which at the time amounted to roughly \$562 million.¹ The Public Safety Budget Trailer Bill for that year—SB 1021 (Ch. 41, Statutes of 2012)—added Government Code, Section 77203(b), which imposed a 1% limit on the amount of unexpended funds a superior court may carry over to the next fiscal year. By codifying the 1% cap in statute, the Legislature effectively required the return of any unreserved funds previously provided to the superior courts, so that those excess funds could be held instead at the state level within the Trial Court Trust Fund. The return of these funds is effectuated by the provisions of Government Code, Section 68502.5(c)(2)(A), which authorizes the Judicial Council to reduce (i.e. offset) each superior court's budget allocation in the current year by the amount of reserves beyond the 1% cap from the prior year.

Following fiscal year 2016-17, 19 superior courts faced budget reductions amounting to a combined \$7.4 million for being over the 1% cap, while the other 39 superior courts reported being under this threshold. The audit committee and its staff seek to ensure our encumbrance policies and the 1% cap process are consistently and fairly applied to all superior courts.

Inconsistent Encumbrance Policies Make Determining Audit Compliance Difficult

¹ The Judicial Council is required to report the revenues, expenditures and fund balance constraints to the Legislature per Government Code, Section 77202.5(b).

Aided by the secondary review from the Judicial Council's accounting staff, each superior court: (1) calculates its 1% cap threshold, and then (2) determines the amount of its fund balance subject to this limit. Under current policy, the amount of fund balance subject to the 1% cap is reduced based on the amount of the court's outstanding encumbrances at year's end (along with other deductions for restricted fund balance, prepayments, and other items of expenses specifically exempted by statute). Generally the higher a court's encumbrances, the lower its fund balance subject to the cap and the greater the likelihood it will be under the 1% limit. Determining how much to encumber when accounting for multi-year agreements is a policy area where the current guidance is not consistently defined. This makes it difficult for the Audit Division to determine compliance.

The FIN Manual and The Judicial Council's June 2014 Encumbrance Policy Need to Be Made Consistent and Clarified for The Superior Courts

The FIN Manual and the Judicial Council's encumbrance policy from June 2014 are inconsistent with respect to how courts should encumber multi-year contracts. The FIN Manual, Policy No. 5.01, Section 6.6.3, has been in effect since September 1, 2010, before the 1% cap was mandated. The FIN Manual states the following:

“Multiyear POs, contracts, MOUs, and IBAs must specify on the document the amount to be encumbered when the performance occurs over several fiscal years. Contracts, PO's MOUs, and IBAs for anticipated costs must record an encumbrance for each fiscal year. *This requires that each fiscal year bear its fair share of expenditures and applicable costs [emphasis added].*”

The FIN Manual's requirement that each year's appropriation “bear its fair share” of expenditures matches the spending authority provided in the annual budget act with the timing of when the expenditures from a multi-year agreement are expected to be incurred.

The Judicial Council's encumbrance policy from June 27, 2014, (paragraph #5) begins by reaffirming the same matching concept noted above; however, paragraph #5 then proceeds to provide the superior courts with various exceptions that broadly define the circumstances when a court may encumber its current year spending authority for expenses anticipated in subsequent years. These exceptions include:

- If encumbering the current year's fund balance would allow the court time to make structural changes to its budget to include this [ongoing] expense, or would...

- Provide the superior court with greater budget flexibility in the following fiscal year.

Lacking further definitions or limitations, a superior court could potentially claim, year-after-year, that it has a structural budget deficit—or assert that it continues to need greater budget flexibility—and therefore perpetually follow a practice of encumbering current year spending authority for the next fiscal year’s costs.

The exceptions within the judicial branch’s June 2014 encumbrance policy—which permits courts to encumber current year spending authority for certain types of operating costs in the following year—may be counter to other statutory and regulatory provisions that further define spending authority. For example, Government Code, Section 16304, states that “an appropriation shall immediately become available for encumbrance or expenditure during the period specified.” Further, regulatory guidance at 2 CCR 610(c)—which supports the appropriation and expenditure matching concept as articulated in the FIN Manual—states, in part:

“The date of an agreement or order for services, materials, supplies, or equipment determines the fiscal year appropriation...to which the expenditure shall be charged, except that: (1) expenditures pursuant to an agreement or order that stipulates that services or delivery be delayed until requested or until on or after a stated date in a subsequent fiscal year shall be charged to the fiscal year in which the services, materials, supplies or equipment are received [emphasis added]...”

However, the State Administrative Manual (SAM)—which provides guidance to executive branch agencies—largely reiterates the guidance above from 2 CCR 610(c) but section 8340 provides executive-branch entities with the discretion to decide which fiscal year’s appropriation to charge when encumbering a multi-year contract:

“Multi-year Agreements – Agreements which span more than one fiscal year maybe charged (1) totally to the first year of appropriation covered by the agreement, or (2) to more than one fiscal year’s appropriation, depending on the:

- Appropriation authority – Sufficient spending appropriation authority must exist.
- Details of the agreement.

Departments will determine the budgetary plan for charging the encumbrance and subsequent expenditure when issuing a multi-year agreement. The budgeted

amount will be reflected in the funding strip of the agreement. Departments have discretion as to which fiscal year appropriation to charge; however, the budgetary plan is the predominant factor in making this determination [emphasis added].

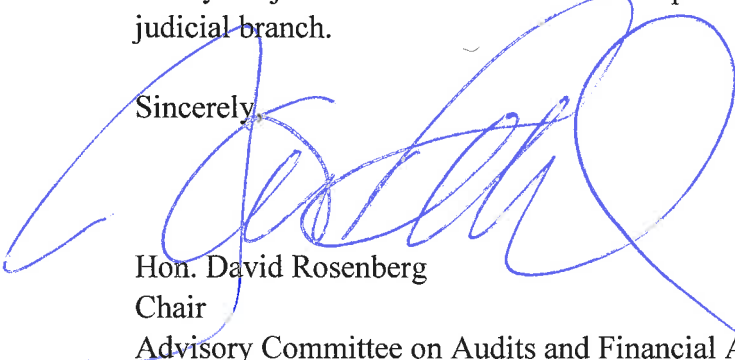
Policy Questions for TCBAC and Judicial Council BAP and Budget Services Staff

Thus, the central question becomes this: what policy should be provided to the superior courts to encumber multi-year contracts? Some further clarifying questions include:

- Do courts follow the FIN Manual or should it be reviewed for possible amendment, consistent with SAM and other regulations available to the Executive Branch that allow funds for certain types of contracts to be encumbered over multiple fiscal years?
- Alternatively, can courts continue to use the exceptions listed in paragraph 5 of the June 2014 policy indefinitely without limit or independent oversight or should they be reviewed for possible amendment? For example:
 - How do the exceptions in paragraph 5 align with regulatory guidance at 2 CCR 610(c)(1)?
 - Under what circumstances (if any) would a court not be allowed or expected to use paragraph 5's exceptions? For example, would a court with increasing revenues for the last three or more years—per its quarterly financial statements—still require the budget flexibility provided in paragraph 5?
 - Is it appropriate and proper for courts to encumber fund balance in anticipation of rent expense that will not be incurred until several years in the future? What about other types of ongoing and reasonably predictable operating costs?
- Should both the FIN Manual and June 2014 encumbrance policy be amended?

The audit committee greatly appreciates and respects the vital role TCBAC plays in the budget process, and my committee hopes you can help provide guidance in how best to reconcile and clarify the judicial branch's encumbrance policies for the benefit of the trial courts and the entire judicial branch.

Sincerely,



Hon. David Rosenberg
Chair
Advisory Committee on Audits and Financial Accountability

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Hon. Jonathan B. Conklin
Ms. Rebecca Fleming
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DR/GP

c: Mr. Zlatko Theodorovic, Director, Budget Services, Judicial Council
Mr. Doug Kauffroath, Director, Branch Accounting and Procurement, Judicial Council