



Judicial Council of California
Trial Court Budget Advisory Committee

TRIAL COURT BUDGET ADVISORY COMMITTEE
FISCAL PLANNING SUBCOMMITTEE

MATERIALS FOR JANUARY 8, 2024
VIRTUAL MEETING

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Judicial Council of California

Trial Court Budget Advisory Committee

www.courts.ca.gov/tcbac.htm
tcbac@jud.ca.gov

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TRIAL COURT BUDGET ADVISORY COMMITTEE

FISCAL PLANNING SUBCOMMITTEE

NOTICE AND AGENDA OF OPEN MEETING

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

THIS MEETING IS BEING CONDUCTED BY ELECTRONIC MEANS

THIS MEETING IS BEING RECORDED

Date: Monday, January 8, 2024
Time: 12:00 p.m. to 1:00 p.m.
Public Call-in Number: <https://jcc.granicus.com/player/event/3272>

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 emailed to tcbac@jud.ca.gov.

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 October 19, 2023 Fiscal Planning Subcommittee meeting.

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

This meeting will be conducted by electronic means with a listen-only conference line available for the public. As such, the public may submit comments for this meeting only in writing. 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. Only written comments received by 12:00 p.m. on January 5, 2024 will be provided to advisory body members prior to the start of the meeting.

III. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEM 1)

Item 1

Funds Held on Behalf (FHOB) of the Trial Courts Policy Updates (Action Required)

Consider recommendations to update the current policy for the FHOB program.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Fiscal Planning
Subcommittee
Ms. Rose Lane, Senior Analyst, Judicial Council Budget
Services

IV. ADJOURNMENT

Adjourn



Judicial Council of California
Trial Court Budget Advisory Committee

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TRIAL COURT BUDGET ADVISORY COMMITTEE
FISCAL PLANNING SUBCOMMITTEE

MINUTES OF OPEN MEETING

October 19, 2023
12:00 p.m. – 12:30 p.m.

<https://jcc.granicus.com/player/event/2740>

Advisory Body Members Present: Judges: Hon. Jonathan B. Conklin (Cochair), Hon. Maria Hernandez, and Hon. Erick L. Larsh.
Executive Officers: Mr. Chad Finke (Cochair), Ms. Krista LeVier, Mr. Chris Ruhl, and Mr. David Yamasaki.

Advisory Body Members Absent: Hon. Kimberly A. Gaab, Hon. Michael J. Reinhart, Mr. Shawn Landry, and Mr. Lee Seale.

Others Present: Mr. Zlatko Theodorovic, Ms. Fran Mueller, Ms. Donna Newman, Ms. Rose Lane, and Ms. Oksana Tuk.

OPEN MEETING

Call to Order and Roll Call

The chair welcomed the members, called the meeting to order at 12:00 p.m., and took roll call.

Approval of Minutes

The subcommittee reviewed and approved minutes from the August 31, 2023 Fiscal Planning Subcommittee (FPS) meeting.

DISCUSSION AND ACTION ITEMS (ITEMS 1-2)

Item 1 – Trial Court Trust Fund (TCTF) Funds Held on Behalf of the Trial Courts Requests (Action Item)

Consideration of a recommendation to the Judicial Council to approve TCTF funds to be held on behalf of the trial courts in response to twelve new and eleven amended requests from fourteen trial courts for 2022-23.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Fiscal Planning Subcommittee
Ms. Rose Lane, Senior Analyst, Judicial Council Budget Services

Action: The FPS unanimously approved twelve new and eleven amended TCTF Funds Held on Behalf requests for 2022-23 totaling \$4.4 million from fourteen trial courts (Amador, Glenn, Kings, Monterey, Napa, Nevada, Sacramento, San Bernardino, San Joaquin, San Luis Obispo, San Mateo, Shasta, Stanislaus, and Sutter) for recommendation to the Judicial Council at its January 19, 2024 business meeting.

Item 2 – Children’s Waiting Room (CWR) Fund Balance Cap Biennial Review (Action Item)

Overview of reductions for 2022-23 CWR fund balances exceeding the cap and consideration of fund balance cap adjustment requests from six trial courts for recommendation to the Judicial Council.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Fiscal Planning Subcommittee
 Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

Action: The FPS unanimously approved six CWR fund balance cap adjustments totaling \$3.8 million for Los Angeles, Sacramento, San Francisco, Santa Barbara, Santa Clara, and Ventura Superior Courts for recommendation to the Judicial Council at its January 19, 2024 business meeting.

A D J O U R N M E N T

There being no further business, the meeting was adjourned at 12:26 p.m.

Approved by the advisory body on enter date.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee
Fiscal Planning Subcommittee
(Action Item)

Title: Funds Held on Behalf of the Trial Courts Policy Updates
Date: 1/2/2024
Contact: Rose Lane, Senior Analyst, Judicial Council Budget Services
916-643-6926 rosemary.lane@jud.ca.gov

Issue

The Fiscal Planning Subcommittee's (FPS) Ad Hoc Working Group recommends adopting revisions to the current policy and guidelines for the Funds Held on Behalf of the Trial Courts' program. The proposed revisions include newly defined criteria, streamlining the submission process, and implementing a reimbursement model for consideration by the FPS.

Background

Government Code section [68502.5\(c\)\(2\)\(A\)](#) requires the Judicial Council to set a preliminary allocation in July of each fiscal year when setting the allocations for trial courts. In January of each fiscal year, after review of available trial court reserves as of June 30 of the prior fiscal year, the Judicial Council is required to finalize allocations to the trial courts and each court's finalized allocation is offset by the amount of reserves in excess of the amount authorized to be carried over pursuant to Government Code section [77203](#).

Government Code section 77203 outlines the amount of funding a trial court may carry over from the prior fiscal year. Prior to June 30, 2014, a trial court could carry over all unexpended funds from the court's operating budget from the prior fiscal year. Beginning June 30, 2014 and concluding June 30, 2019, a trial court could carry over unexpended funds in an amount not to exceed 1 percent of the court's operating budget from the prior fiscal year.

Beginning June 30, 2020, a trial court may carry over unexpended funds in an amount not to exceed 3 percent of the court's operating budget from the prior fiscal year. The increase in the fund balance cap was in recognition of the need for trial courts to have sufficient reserve funding to support operational needs and address emergency expenditures.

At its meeting on July 6, 2015, the Trial Court Budget Advisory Committee (TCBAC) established the Ad Hoc Working Group on Fiscal Planning to examine permitting trial court allocation amounts, that were reduced as a result of a court exceeding the authorized fund balance cap, to be retained in the Trial Court Trust Fund (TCTF) for the benefit of that court. The working group was charged with developing fiscal planning and management guidelines as to how these retained amounts would be managed to ensure an effective program for the trial courts.

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At its business meeting on April 15, 2016, the Judicial Council approved the TCBAC's *Recommended Process, Criteria, and Required Information for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts*. This new program authorized that reduced trial court allocations, related to the fund balance cap, be retained in the TCTF as restricted fund balance for the benefit of those courts for projects or expenditures approved by the Judicial Council¹. Trial courts were required to report to the TCBAC within 90 days of a completed project or planned expenditure on how the funds were expended.

Previous Policy Updates

At its business meeting on January 17, 2020, the Judicial Council adopted revisions to the *Judicial Council-Approved Process, Criteria, and Required Information for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts* policy. These revisions included a streamlined submission schedule, changing the recipient of the request from the Judicial Council's Administrative Director to the Director of Budget Services, and language amendments to better align with the timing of year-end closing for the courts, trial court allocation offsets, and requests to amend previously approved requests².

At its meeting on May 11, 2022, the council approved the TCBAC's additional recommendation to update the policy. This specific update changed the requirement that courts report to the TCBAC within 90 days of completion of a project or planned expenditure from a quarterly to an annual reporting of all projects or planned expenditures completed in a fiscal year, including status updates on projects or planned expenditures not completed³. Judicial Council Budget Services staff prepares the annual FHOB report to the TCBAC in consultation with the courts.

Ad Hoc Working Group for the FHOB Program

In October 2023, the Chair of the TCBAC established an Ad Hoc Working Group, consisting of five members of the Fiscal Planning Subcommittee, to evaluate the FHOB program to consider

¹ Judicial Council meeting report (April 15, 2016),
[https://jcc.legistar.com/View.ashx?M=F&ID=4378277&GUID=57D6B686-EA95-497E-9A07-226CA724ADCB](https://jcc.legistar.com/View.ashx?M=F&ID=4378277&GUID=57D6B686-EA95-497E-9A07-226CA724ADCB;);
Judicial Council meeting minutes (April 15, 2016),
<https://jcc.legistar.com/View.ashx?M=M&ID=463457&GUID=194A3350-D97F-452B-ACF4-1EBE6C105CCA>.

² Judicial Council meeting report (January 17, 2020),
<https://jcc.legistar.com/View.ashx?M=F&ID=7977186&GUID=6B519461-BD50-4F19-9B80-CD40F8FD64FE>;
Judicial Council meeting minutes (January 17, 2020),
<https://jcc.legistar.com/View.ashx?M=M&ID=711572&GUID=AC46528C-6E37-406A-A1CE-B41CC33E29EB>

³ Judicial Council meeting report (May 10, 2022),
<https://jcc.legistar.com/View.ashx?M=F&ID=10830769&GUID=305F68B7-26CF-4E57-B29D-BD15D8B1CB6D>;
Judicial Council meeting minutes (May 11, 2022),
<https://jcc.legistar.com/View.ashx?M=M&ID=869099&GUID=990E26C2-797D-4F24-BAE0-4945FB131549>

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Fiscal Planning Subcommittee
(Action Item)

potential changes to the policy. The working group was charged with evaluating the process, application, and distribution components of the program.

The working group met on November 28, December 7, December 12, and December 19, 2023 to review existing program procedures and develop recommendations to increase transparency, streamline the submission schedule, and identify process improvements. A summary of the items considered by the working group are summarized below:

New and Amended Request Criteria

1. New and Amended Requests

New Requests

Current Process – Allow trial courts to submit new requests using funding from multiple fiscal years.

Proposed Process – Require that trial courts submit new requests using new funding from the previous fiscal year or unspent funding from a previously approved FHOB project to be considered for a new project because the original project has been completed or surrendered.

Amended Requests

Current Process – Allow trial courts to submit amended requests to (1) amend the amount of funds for an existing project, (2) extend the fiscal year period to implement a previously approved project, or (3) use funding from a previously approved project for a new project or purpose.

Proposed Process – Allow trial courts to submit amended requests only to (1) amend the amount of funds for an existing project and/or (2) extend the fiscal year period to implement a previously approved project.

Rationale:

Clarifying the definitions of new and amended requests will ensure transparency in the use of funding and streamline the tracking and reporting of approved projects.

2. Submission Cycles

Current Process – Three submission cycles per year in March, August, and September with requests going to the Judicial Council for consideration at its July, November, and January business meetings.

JUDICIAL COUNCIL OF CALIFORNIA
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Proposed Process – Establish one annual submission cycle in September, after all courts have completed their year-end close-out process. Requests will go to the January council meeting for consideration.

Rationale:

Reducing the number of submission cycles will streamline tracking, reporting, and the frequency of committee meetings.

3. Court Representation

Current Process – Trial courts may send a representative to the subcommittee and Judicial Council meetings to present their requests and respond to questions.

Proposed Process – Trial courts that have submitted a request for consideration are strongly encouraged to provide a representative at the FPS and Judicial Council meetings.

Rationale:

Having court representatives attend the FPS meeting will ensure that questions from subcommittee members can be appropriately addressed as needed.

Application Process

4. Application Form

Current Process – Trial courts are required to submit the *Application for TCTF Funds Held on Behalf of the Court* form, in addition to financial information.

Proposed Process – Redesign the existing application form to make it easier to complete and review and ensure it includes relevant project and fiscal information needed for consideration and tracking of the request. Budget Services staff will work in consultation with a group of court representatives to make the necessary changes to the form.

Rationale:

The current application form is long and difficult to complete. A simplified version would streamline the submission, review, and tracking processes for the courts and Judicial Council staff and would improve transparency as to the use of the funds.

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(Action Item)

Distribution of Funding

5. Reimbursement Model

Current Process – Funding is distributed to the courts via the allocation process based on their submitted expenditure plan for each project.

Proposed Process – Implement a monthly reimbursement model so that the funds are held in the TCTF on behalf of the court, as originally intended. Courts will be reimbursed monthly based on actual expenses submitted and recorded in the Judicial Council Phoenix SAP accounting system. For smaller courts that might have difficulty paying for upfront costs, there will be a process to request early distribution of funding prior to the submittal of actual expenditures related to the project.

Rationale:

Implementation of a reimbursement model would properly structure the program so that requested funds are held in the TCTF on behalf of the requesting courts and distributed to the courts for actual reported expenditures.

Recommendation

Approve the following recommendations to be considered by the TCBAC and then the Judicial Council at its March 15, 2024 business meeting:

1. New Request Criteria – Require that trial courts submit new requests using new funding from the previous fiscal year or unspent funding from a previously approved FHOB project to be considered for a new project because the original project has been completed or surrendered.

Amended Request Criteria – Allow trial courts to submit amended requests only to (1) amend the amount of funds for an existing project and/or (2) extend the fiscal year period to implement a previously approved project.

2. Submission Cycles – Establish one annual submission cycle in September, after all courts have completed their year-end close-out process. Requests will go to the January council meeting for consideration.
3. Court Representation – Trial courts that have submitted a request for consideration are strongly encouraged to provide a representative at the FPS and Judicial Council meetings.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee
Fiscal Planning Subcommittee
(Action Item)

4. Application Process – Redesign the existing application form to make it easier to complete and review and ensure it includes relevant project and fiscal information needed for consideration and tracking of the request. Budget Services staff will work in consultation with a group of court representatives to make the necessary changes to the form.
5. Distribution of Funding – Implement a monthly reimbursement model so that the funds are held in the TCTF on behalf of the court, as originally intended. Courts will be reimbursed monthly based on actual expenses submitted and recorded in the Judicial Council Phoenix SAP accounting system. For smaller courts that might have difficulty paying for upfront costs, there will be a process to request early distribution of funding prior to the submittal of actual expenditures related to the project; and
6. Make language amendments to the current policy to reflect the recommendations and delete outdated references (Attachment B).

Attachments

Attachment A: *Current Judicial Council- Approved Process, Criteria, and Required Information for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts*

Attachment B: *Proposed Judicial Council- Process, Criteria, and Required Information for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts*

1 **Summary of Recommended Process, Criteria, and Required Information for**
2 **Trial Court Trust Fund Fund Balance Held on Behalf of the Courts**

3
4 **Recommended Process for Trial Court Trust Fund Fund Balance Held on Behalf**
5 **of the Courts**

- 6
7 1. Trial Court Trust Fund fund balance will be held on behalf of trial courts only for
8 expenditures or projects that cannot be funded by a court's annual budget or three-year
9 encumbrance term and that require multiyear savings to implement.
- 10 a. Categories or activities include, but are not limited to:
- 11 i) Projects that extend beyond the original planned three-year term process such as
12 expenses related to the delayed opening of new facilities or delayed deployment of
13 new information systems;
- 14 ii) Technology improvements or infrastructure such as installing a local data center, data
15 center equipment replacement, case management system deployment, converting to a
16 VoIP telephone system, desktop computer replacement, and replacement of backup
17 emergency power systems;
- 18 iii) Facilities maintenance and repair allowed under rule 10.810 of the California Rules of
19 Court such as flooring replacement and renovation as well as professional facilities
20 maintenance equipment;
- 21 iv) Court efficiencies projects such as online and smart forms for court users and RFID
22 systems for tracking case files; and
- 23 v) Other court infrastructure projects such as vehicle replacement and copymachine
24 replacement.
- 25
- 26 2. The submission, review, and approval process is as follows:
- 27 a. All requests will be submitted to the Judicial Council for consideration.
- 28 b. Requests will be submitted to the *director of Budget Services* by the court's presiding
29 judge or court executive officer.
- 30 c. *Budget Services* staff will review the request, ask the court to provide any missing or
31 incomplete information, draft a preliminary report, share the preliminary report with the
32 court for its comments, revise as necessary, and issue the report to the *Fiscal Planning*
33 *Subcommittee* of the Trial Court Budget Advisory Committee (TCBAC); the
34 *subcommittee* will meet to review the request, hear any presentation of the court
35 representative, and ask questions of the representative if one participates on behalf of the
36 court; and *Budget Services* office staff will issue a final report on behalf of the
37 *subcommittee* for the council.
- 38 d. The final report to the *subcommittee* and the Judicial Council will be provided to the
39 requesting court before the report is made publicly available on the California Courts
40 website.
- 41 e. The court may send a representative to the *subcommittee* and Judicial Council meetings
42 to present its request and respond to questions.

- 43 3. To be considered at a scheduled Judicial Council business meeting, requests must be
44 submitted to the *director of Budget Services* at least 40 business days (approximately
45 eight weeks) before that business meeting.
- 46
- 47 4. The Judicial Council may consider including appropriate terms and conditions that courts
48 must accept for the council to approve designating TCTF fund balance on the court's behalf.
49 a. Failure to comply with the terms and conditions would result in the immediate change in
50 the designation of the related TCTF fund balance from restricted to unrestricted and no
51 longer held on behalf of the court unless the council specifies an alternative action.
- 52
- 53 5. Approved requests that courts subsequently determine need to be revised to reflect a change
54 (1) in the amounts by year to be distributed to the court for the planned annual expenditures
55 and/or encumbrances, (2) in the total amount of the planned expenditures, or (3) of more than
56 10 percent of the total request among the categories of expense will need to be amended and
57 resubmitted following the submission, review, and approval process discussed in 1–3 above.
58 a. Denied revised requests will result in the immediate change in the designation of the
59 related TCTF fund balance from restricted to unrestricted and no longer held on behalf of
60 the court unless the council specifies an alternative action.
- 61
- 62 6. Approved requests that courts subsequently determine have a change in purpose will need to
63 be amended and resubmitted following the submission, review, and approval process
64 discussed in 1–3 above, along with a request that the TCTF funds held on behalf of the court
65 for the previously approved request continue to be held on behalf of the court for this new
66 purpose.
67 a. Denied new requests tied to previously approved requests will result in the immediate
68 change in the designation of the related TCTF fund balance from restricted to unrestricted
69 and no longer held on behalf of the court unless the council specifies an alternative
70 action.
- 71
- 72 7. On completion of the project or planned expenditure, courts are required to report to the Trial
73 Court Budget Advisory Committee *annually* on the project or planned expenditure and how
74 the funds were expended.
- 75
- 76 8. As part of the courts' audits in the scope of the normal audit cycle, a review of any funds that
77 were held on behalf of the courts will be made to confirm that they were used for their stated
78 approved purpose.

79 **Recommended Criteria for Eligibility for TCTF Fund Balance Held on Behalf of the**
80 **Courts**

81 TCTF fund balance will be held on behalf of the trial courts only for expenditures or projects that
82 cannot be funded by the court's annual budget or three-year encumbrance term and that require
83 multiyear savings to implement.

84
85 **Recommended Information Required to Be Provided by Trial Courts for TCTF**
86 **Fund Balance Held on Behalf of the Courts**

87 Below is the information required to be provided by trial courts on the *Application for TCTF*
88 *Funds Held on Behalf of the Court*:

89
90 **SECTION I**

91 **General Information**

- 92 • Superior court
- 93 • Date of submission
- 94 • Person authorizing the request
- 95 • Contact person and contact information
- 96 • Time period covered by the request (includes contribution and expenditure)
- 97 • Requested amount
- 98 • A description providing a brief summary of the request

99
100 **SECTION II**

101 **Amended Request Changes**

- 102 • Sections and answers amended
- 103 • A summary of changes to request

104
105 **SECTION III**

106 **Trial Court Operations and Access to Justice**

- 107 • An explanation as to why the request does not fit within the court's annual operational
108 budget process and the three-year encumbrance term
- 109 • A description of how the request will enhance the efficiency and/or effectiveness of court
110 operations, and/or increase the availability of court services and programs
- 111 • If a cost efficiency, cost comparison (*table template provided*)
- 112 • A description of the consequences to the court's operations if the court request is not
113 approved
- 114 • A description of the consequences to the public and access to justice if the court request is
115 not approved
- 116 • The alternatives that the court has identified if the request is not approved, and the reason
117 why holding funding in the TCTF is the preferred alternative

118 **SECTION IV**119 **Financial Information**

- 120 • Three-year history of year-end fund balances, revenues, and expenditures (*table template*
121 *provided*)
- 122 • Current detailed budget projections for the fiscal years during which the trial court would
123 either be contributing to the TCTF fund balance held on the court's behalf or receiving
124 distributions from the TCTF fund balance held on the court's behalf (*table template*
125 *provided*)
- 126 • Identification of all costs, by category and amount, needed to fully implement the project
127 (*table template provided*)
- 128 • A specific funding and expenditure schedule identifying the amounts to be contributed and
129 expended, by fiscal year (*table template provided*)

Summary of Recommended Process, Criteria, and Required Information for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts

Recommended Process for Trial Court Trust Fund Fund Balance Held on Behalf of the Courts

1. Trial Court Trust Fund fund balance will be held on behalf of trial courts only for expenditures or projects that cannot be funded by a court's annual budget or three-year encumbrance term and that require multiyear savings to implement.
 - a. Categories or activities include, but are not limited to:
 - i) Projects that extend beyond the original planned three-year term process such as expenses related to the delayed opening of new facilities or delayed deployment of new information systems;
 - ii) Technology improvements or infrastructure such as installing a local data center, data center equipment replacement, case management system deployment, converting to a ~~new VoIP~~ telephone system, desktop computer replacement, and replacement of backup emergency power systems;
 - iii) Facilities maintenance and repair allowed under rule 10.810 of the California Rules of Court such as flooring replacement and renovation as well as professional facilities maintenance equipment;
 - iv) Court efficiency ~~ies~~ projects such as online and smart forms for court users and ~~RFID~~ systems for tracking case files; and
 - v) Other court infrastructure projects such as vehicle replacement and copy machine replacement.

2. The submission, review, and approval process ~~is~~ are as follows:
 - a. ~~All funds held on behalf requests for the prior fiscal year will be submitted in a once per year submission cycle in the fall, after courts complete their year-end close-out, for consideration by the Judicial Council at its January business meeting. at the January council meeting.~~
 - ~~a. All requests will be submitted to the Judicial Council for consideration.~~
 - b. Requests will be submitted to the Judicial Council's ~~D~~irector of Budget Services by the court's presiding judge or court executive officer.
 - c. Budget Services staff will review the request, ask the court to provide any missing or incomplete information, draft a preliminary report and ~~;~~ share it ~~the preliminary report~~ with the court for any ~~its~~ comments, revise as necessary, and issue the report to the Fiscal Planning Subcommittee of the Trial Court Budget Advisory Committee (TCBAC). ~~T~~he subcommittee will meet to consider ~~review~~ the request and ~~;~~ hear any presentations from representatives ~~of the requesting courts. court representative, and ask questions of the representative if one participates on behalf of the court;~~ and Budget Services ~~office~~ staff will issue a final report on behalf of the subcommittee for consideration by the Judicial Council.
 - d. The final report to the subcommittee and the Judicial Council will be provided to the requesting court before the report is made publicly available on the California Courts website.

- 46 e. The court ~~may~~ is strongly encouraged to send a representative to the subcommittee_-
47 ~~and meetings and may send a representative to the~~ Judicial Council meetings to ~~present~~
48 ~~its request and~~ respond to questions.

DRAFT

- 49 3. To be considered at the January a ~~scheduled~~ Judicial Council business meeting,
 50 requests must be submitted to the Director of Budget Services no later than by
 51 September 25. ~~at least 40 business days (approximately eight weeks),~~ before that
 52 business meeting.
- 53
- 54 4. The Judicial Council may consider including appropriate terms and conditions that courts
 55 must accept for the council to approve designating TCTF fund balance be held on the
 56 court's behalf.
- 57 a. Failure to comply with the terms and conditions will ~~ould~~ result in the immediate change
 58 in the designation of the related TCTF fund balance from restricted to unrestricted and
 59 no longer held on behalf of the court unless the council specifies an alternative action.

60

61 5. Request for funds held on behalf of the trial courts may be submitted for the following:

- 62 a. Requests for new projects or planned expenditures using prior fiscal year funding.
- 63 b. Requests for new projects or planned expenditures using unspent funding from a
 64 previously approved project that has been completed or surrendered by the requesting
 65 court.
- 66 c. Requests to amend previously approved projects or planned expenditures to adjust the
 67 amount of funding needed and/or the expenditure period to complete the original
 68 project.
- 69 a.d. Denied requests will result in the immediate change in the designation of the related
 70 TCTF fund balance from restricted to unrestricted and will no longer be held on behalf
 71 of the requesting court unless the Judicial Council specifies an alternative action.

72

73 ~~— New requests may be submitted for prior fiscal year funding only, unless the request is~~
 74 ~~following with except to # 6 as described below.~~

75 ~~5. Approved requests that courts subsequently determine need to be revised to reflect a change~~
 76 ~~(1) in the amounts by year to be contributed for an existing project distributed to the court for~~
 77 ~~the planned annual expenditures and/or encumbrances, and (2) to change the fiscal year~~
 78 ~~period in the total amount of the planned expenditures, or (3) of more than 10 percent of the~~
 79 ~~total request among the categories of expense will need to be amended and resubmitted~~
 80 ~~following the submission, review, and approval process discussed in 1–3 above.~~

81 ~~a. Denied revised requests will result in the immediate change in the designation of the~~
 82 ~~related TCTF fund balance from restricted to unrestricted and no longer held on behalf of~~
 83 ~~the court unless the council specifies an alternative action.~~

84

85 ~~6. Approved requests that courts subsequently determine have a change in purpose will need to~~
 86 ~~be submitted as a new request. Courts may utilize previously approved unspent FHOB~~
 87 ~~project funding in which the project has been completed or surrendered for amended and~~
 88 ~~resubmitted following the submission, review, and approval process discussed in 1–3 above,~~
 89 ~~along with a request that the TCTF funds held on behalf of the court for the previously~~
 90 ~~approved request funding to continue to be held on behalf of the court for this new purpose.~~

91 ~~a. Denied new requests tied to previously approved requests will result in the immediate~~
 92 ~~change in the designation of the related TCTF fund balance from restricted to unrestricted~~
 93 ~~and no longer held on behalf of the court unless the council specifies an alternative~~
 94 ~~action.~~

95

96 6. Courts will be reimbursed monthly for actual expenses submitted for the approved project
97 and recorded in the Judicial Council's Phoenix SAP accounting system against the approved
98 project.

99 a. Distribution of funding may be approved granted without a recorded expense at the
100 discretion of the Director of Budget ServicesXXX. The court must submit a ,on a case-
101 by case basis with submittal of a request and justification explaining why the funding is
102 needed prior to incurring and reporting expenditures for the project. .

103

104 ~~7. On completion of the project or planned expenditure, e~~Courts are required to report to the
105 Trial Court Budget Advisory Committee annually on the completion or status of each project
106 or planned expenditure and how the funds were expended.

107

108 ~~8. As part of the courts' audits in the scope of the~~During the required trial court normal-audit
109 cycle, a review of any funds that were held on behalf of the courts will be made to confirm
110 that they were used for their ~~stated~~ approved purpose.

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111 **Recommended Criteria for Eligibility for TCTF Fund Balance Held on Behalf of the**
 112 **Courts**

113 TCTF fund balance will be held on behalf of the trial courts only for expenditures or projects that
 114 cannot be funded by the court's annual budget or three-year encumbrance term and that require
 115 multiyear savings to implement.

116
 117 **Recommended Information Required to Be Provided by Trial Courts for TCTF**
 118 **Fund Balance Held on Behalf of the Courts**

119 Below is the information required to be provided by trial courts on the *Application for TCTF*
 120 *Funds Held on Behalf of the Court*:

121
 122 **SECTION I**

123 **General Information**

- 124 • Superior court
- 125 • Date of submission
- 126 • Person authorizing the request
- 127 • Contact person and contact information
- 128 • Time period covered by the request (includes contribution and expenditure)
- 129 • Requested amount
- 130 • A description providing a brief summary of the request

131
 132 **SECTION II**

133 **Amended Request Changes**

- 134 • Sections and answers amended
- 135 • A summary of changes to request

136
 137 **SECTION III**

138 **Trial Court Operations and Access to Justice**

- 139 • An explanation as to why the request does not fit within the court's annual operational
 140 budget process and the three-year encumbrance term
- 141 • A description of how the request will enhance the efficiency and/or effectiveness of court
 142 operations, and/or increase the availability of court services and programs
- 143 • If a cost efficiency, cost comparison (*table template provided*)
- 144 • A description of the consequences to the court's operations if the court request is not
 145 approved
- 146 • A description of the consequences to the public and access to justice if the court request is
 147 not approved
- 148 • The alternatives that the court has identified if the request is not approved, and the reason
 149 why holding funding in the TCTF is the preferred alternative

150 **SECTION IV**

151 **Financial Information**

- 152 • Three-year history of year-end fund balances, revenues, and expenditures (*table template*
153 *provided*)
- 154 • Current detailed budget projections for the fiscal years during which the trial court would
155 either be contributing to the TCTF fund balance held on the court’s behalf or receiving
156 distributions from the TCTF fund balance held on the court’s behalf (*table template*
157 *provided*)
- 158 • Identification of all costs, by category and amount, needed to fully implement the project
159 (*table template provided*)
- 160 • A specific funding and expenditure schedule identifying the amounts to be contributed and
161 expended, by fiscal year (*table template provided*)

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