



Audit of the
Superior Court of California,
County of Ventura

DECEMBER 2018



JUDICIAL COUNCIL
OF CALIFORNIA

AUDIT SERVICES

This report contains confidential material for the sole use of the intended recipient(s). Any review, use, distribution, or disclosure to others is strictly prohibited until the audit report is accepted by the Judicial Council.

For authorization to distribute this report to any other parties please contact:

Mr. Grant Parks
Principal Manager, Audit Services
Judicial Council of California
Phone: (916) 263-1321
Fax: (415) 865-4337
E-mail: Grant.Parks@jud.ca.gov

Superior Court of California, County of Ventura

Table of Contents

EXECUTIVE SUMMARY i

BACKGROUND ON THE COURT’S OPERATIONS..... iv

AUDIT SCOPE AND METHODOLOGY v

SCHEDULE OF AUDIT FINDINGS AND PLANNED CORRECTIVE ACTION 1

 CASH HANDLING..... 2

 PROCUREMENT AND CONTRACTS 21

 PAYMENT PROCESSING..... 22

 FINE AND FEE DISTRIBUTIONS..... 23

 ONE PERCENT FUND BALANCE CAP..... 24

 JBSIS CASE FILING DATA 25

 OTHER AREAS 30

EXECUTIVE SUMMARY

Introduction

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

State law authorizes the Judicial Council to establish each superior court's annual budget and to adopt rules for court administration, practice, and procedure. Most of the criteria used by Audit Services stems from the policies promulgated by the Judicial Council, such as those contained within the *Trial Court Financial Policies and Procedures Manual* (FIN Manual) and the *Judicial Branch Contracting Manual* (JBCM). These policies establish both mandatory requirements that all superior courts must follow, as well as suggestive guidance. California's courts drastically vary in terms of their caseloads, budget, and staffing levels, thus requiring the Judicial Council to adopt rules that at times provide the courts with flexibility given their varying resources and constraints. State law also requires the superior courts to operate under a decentralized system of management, and the Judicial Council's policies establish the boundaries within which courts exercise their discretion when managing their day-to-day operations.

Audit Services' annual audit plan for the Judicial Branch establishes the scope of each audit and provides a tentative schedule for the courts being audited during the fiscal year. The audit plan explains those scope areas deemed to be of higher risk based on Audit Services' professional judgment and recognizes that other state audit agencies may, at times, perform reviews that may overlap with Audit Services work. In those instances, Audit Services may curtail its planned procedures as noted in the scope and methodology section of this report.

Summary of Audit Results

Our audit found that the Superior Court of California, County of Ventura (Court) demonstrated compliance with many of the Judicial Council's requirements evaluated during the audit, and should be commended for its receptiveness to suggestions for further improvements. Table 1 below presents a summary of the audit's results, including references to any audit findings discussed in the body and a summary of the Court's agreement or disagreement with the noted findings. Other matters such as isolated or minor non-compliance—which in our professional judgement do not rise to the level of a reportable finding—were communicated separately to the Court's management in written form.

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

Areas and Sub-Areas Subject to Review		Tested	Reportable Audit Findings		
			# of Findings	Finding Reference(s)	Court's View
Cash Handling					
1	Daily Opening Process	Yes	1	2018-1-01	Agrees
2	Voided Transactions	Yes	✓		
3	Handwritten Receipts	Yes	2	2018-3-01; 02	Agrees
4	Mail Payments	Yes	5	2018-4-01; 02; 03; 04; 05	Partially agrees
5	Internet Payments	Yes	✓		
6	Change Fund	Yes	1	2018-6-01	Agrees
7	End-Of-Day Balancing and Closeout	Yes	✓		
8	Bank Deposits	Yes	✓		
9	Other Internal Controls	Yes	1	2018-9-01	Agrees
Procurement and Contracts					
10	Procurement Initiation	Yes	✓		
11	Authorization & Authority Levels	Yes	✓		
12	Competitive Procurements	Yes	✓		
13	Non-Competitive Procurements	Yes	✓		
14	Leveraged Purchase Agreements	Yes	✓		
15	Contract Terms	Yes	✓		
16	Other Internal Controls	Yes	✓		
Payment Processing					
17	3-Point Match Process	Yes	✓		
18	Payment Approval & Authority Levels	Yes	✓		
19	Special Rules - In-Court Service Providers	Yes	✓		
20	Special Rules - Court Interpreters	N/A	-		
21	Other Items of Expense	Yes	✓		
22	Jury Expenses	Yes	✓		
23	Allowable Costs	Yes	✓		
24	Other Internal Controls	Yes	✓		
Fine & Fee Distribution					
25	CMS-Calculated Distributions	N/A	-		
26	Manually-Calculated Distributions	N/A	-		
1% Fund Balance Cap					
27	Calculation of the 1% Cap	Yes	*		
28	Use of "Held on Behalf" Funds	N/A	-		
JBSIS Case Filing Data					
29	Validity of JBSIS Data	Yes	2	2018-29-01; 02	Agrees
Other Areas					
30	[None]	N/A	-		

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

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

* On December 5, 2018, the Judicial Council's *Advisory Committee on Audits and Financial Accountability for the Judicial Branch* (Audit Committee) decided to postpone the publication of certain audit findings pertaining to the 1% cap on fund balance. This temporary delay will allow the Audit Committee to obtain further clarification from the Trial Court Budget Advisory Committee regarding the Judicial Council's encumbrance policy and acceptable court practices. Upon receiving the requested clarifications—this report will be reissued along with any additional audit findings (if applicable).

The Court demonstrated consistent adherence to several different compliance requirements evaluated during the audit, as shown in Table 1. In particular, the Court demonstrated good compliance in the areas of procurement and payment processing. For example, our review of the Court's procurement practices found that the Court consistently follows the JCBM and uses the most appropriate procurement approach for each of its purposes. Specifically, the Court follows the JCBM requirements for competitive procurements, and often also makes multiple vendor inquiries in order to obtain the best price even when competitive procurement requirements are not applicable. In addition, our review of its payment processing practices found that the Court matches invoices and claims to the corresponding approved procurement documents and verifies that the goods or services billed agree with the goods or services listed in the procurement documents prior to payment processing.

Our audit did identify 12 reportable audit findings where we believe the Court should consider taking corrective action to improve its operations and more fully comply with the Judicial Council's policies. These 12 findings are identified in Table 1 under the column "Reportable Findings" and include reference numbers indicating where the reader can view in further detail the specific findings and the Court's perspective. One particular area of focus for the Court as it considers opportunities for improvement should include strengthening its controls over its use of manual receipts. Specifically, our review found that not all payment collection location supervisors maintain a log to monitor and account for the use of the individual manual receipt books issued to the locations. Without such a log, these locations cannot monitor the appropriate use of manual receipts and are without clear accountability of when or who used the manual receipt books, or which receipts they issued. We also found that while some supervisors do maintain such logs, they do not always maintain complete and accurate logs. As a result, the Court is at increased risk that its employees may use manual receipts inappropriately and at risk of losing track of the manual receipts issued by its various payment collection locations.

Summary Perspective of Court Officials

Audit Services initiated its audit of the Court on June 6, 2018, and completed its fieldwork on August 17, 2018. Audit Services shared the draft audit findings with the Court's officials on September 14, 2018, and received the Court's final official responses on November 5, 2018. The Court generally agreed with the findings and its specific responses are included after each finding within the body of the report.

BACKGROUND ON THE COURT'S OPERATIONS

The Superior Court of California, County of Ventura (Court) operates three court facilities in the cities of Ventura, Oxnard, and Simi Valley. The Court operates under the authority and direction of the Presiding Judge, who is responsible for ensuring the effective management and administration of the Court, consistent with any rules, policies, strategic plan, and the funding provided by the Judicial Council.

California's 58 superior courts each have differing workloads, staffing levels, and financial resources. They operate under a decentralized system of governance and are each responsible for their own local court operations and business decisions. The Presiding Judge has the authority to: develop a local budget and allocate the funding provided by the Judicial Council; approve procurements and contracts; and authorize the Court's expenditures. The information in Table 2 is intended to provide the reader with context and perspective on the Court's relative size and workload compared to averages of all 58 superior courts.

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

Statistic	Ventura Superior Court	Average of All Superior Courts				
		Cluster 1 Courts	Cluster 2 Courts	Cluster 3 Courts	Cluster 4 Courts	All 58 Courts
Financial Highlights (Fiscal Year 2017-18)						
Total Revenue	\$ 52,395,216	\$ 2,203,781	\$ 10,808,168	\$ 41,408,761	\$193,092,791	\$ 43,126,012
Total Expenditures	\$ 53,424,168	\$ 2,238,710	\$ 10,943,396	\$ 41,941,660	\$197,901,911	\$ 44,042,048
Staff Salaries & Benefits As a % of Total Expenditures	\$ 39,145,724 73.3%	\$ 1,498,581 66.9%	\$ 8,227,582 75.2%	\$ 32,278,737 77.0%	\$159,856,125 80.8%	\$ 34,936,503 79.3%
Judicial Officers and Staff (2017 Court Statistics Report)						
Judges	29	2	8	27	128	29
Commissioners/Referees	4	-	1	4	22	5
Non-Judicial Staff (approx.)	350	17	86	276	1,253	288
Total	383	19	95	307	1,403	322
New Case Filings (Fiscal Year 2016-17)						
Appeal Filings	115	10	77	183	402	131
Civil Filings						
Civil	10,001	290	2,139	8,984	62,412	12,393
Family Law	6,643	270	1,807	6,660	27,413	6,356
Juvenile Delinquency	1,733	36	252	1,129	2,210	677
Juvenile Dependency	644	36	208	619	3,977	830
Mental Health	883	17	143	721	2,626	613
Probate	954	47	278	991	3,394	845
Small Claims	2,468	51	424	1,954	14,475	2,817
Criminal Filings						
Felonies	2,870	439	1,537	4,676	32,412	6,667
Misdemeanors / Infractions	125,965	4,995	21,148	75,438	342,251	77,665
Total	152,276	6,191	28,013	101,355	491,572	108,994

Source: Financial and case filings data maintained by the Judicial Council. The date ranges differ for the above information due to the different sources of data. The financial data is from the Judicial Council's Phoenix financial system, the judicial officer and staff counts are from the most recent Court Statistics Report, and the case filing counts are from the Judicial Branch Statistical Information System data as of September 13, 2018, and may not agree with other reports as this data is continuously updated. New Case Filings counts for Sutter Superior Court were unavailable as of this date and are not included in the averages above.

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

AUDIT SCOPE AND METHODOLOGY

Audit Services initiated an audit of the Superior Court of California, County of Ventura (Court) in order to determine whether it complied with certain key provisions of statute and the policies and procedures adopted by the Judicial Council of California. Our audit was limited to evaluating compliance with those requirements that, in our professional judgment, were necessary to answer the audit’s objectives. The period covered by this audit was generally limited to fiscal year 2017-18, but certain compliance areas noted below required that we review earlier periods or current practices. Table 3 lists the specific audit objectives and the methods we used to address them.

Table 3 – Audit Objectives and the Methods Used to Address Them

	Audit Objective	Method
1	Through inquiry, auditor observation, and review of local court policies and procedures, identify areas of high risk to evaluate the Court’s compliance.	Audit Services developed an annual audit plan generally identifying areas of high risk at the superior courts. At the Court, we made inquiries and reviewed any local procedures to further understand its unique processes in each compliance area.
2	<p>Determine whether the Court implemented adequate internal controls over its handling of cash receipts and other payments. Such a review will include, at a minimum, the following:</p> <ul style="list-style-type: none"> ▪ Determine whether the Court complied with the mandatory requirements in the FIN Manual for internal controls over cash (payment) handling. ▪ Assess the quality of the Court’s internal controls to minimize the potential for theft, such as controls over the use of manual receipts and voided transactions. 	We obtained information from the Court regarding the types and average volume of collections at each of its payment collection locations. For selected locations, we observed the Court’s practice for safeguarding and accounting for cash and other forms of payments collected from the public. For example, we reviewed and observed the Court’s practice for appropriately segregating incompatible duties, assigning cash drawers to cashiers at the beginning of the day, reviewing and approving void transactions, safeguarding and accounting for handwritten receipts, opening and processing mail payments, controlling access to change funds, overseeing the end-of-day balancing and closeout process, and preparing and accounting for the daily bank deposits.
3	Determine whether the Court demonstrated appropriate control over its non-personal services spending	We reviewed the Court’s assignment of purchasing and payment roles to assess whether it appropriately segregated staff roles for approving purchases, procuring the goods or services,

<p>activities. Specifically, our review included the following:</p> <ul style="list-style-type: none"> ▪ Determine whether the Court’s procurement transactions complied with the applicable requirements in the Judicial Branch Contracting Manual or the Trial Court Financial Policies and Procedures Manual. ▪ Determine whether the Court’s payment transactions—including but not limited to vendor payments and claim payments—were reasonable and in compliance with the Trial Court Financial Policies and Procedures Manual and applicable Judicial Council policies and rules. 	<p>receiving the goods, and paying for the goods or services.</p> <p>We also judgmentally selected a sample of 25 procurement transactions and assessed whether each transaction:</p> <ul style="list-style-type: none"> • Was properly authorized and approved by authorized court management. • Adhered to competitive bidding requirements, when applicable. • Had contracts, when applicable, that contained certain terms required to protect the Court’s interests. <p>We selected a sample of 40 payments pertaining to various purchase orders, contracts, or in-court services, and determined whether:</p> <ul style="list-style-type: none"> • The Court followed the 3-point match process as described in the FIN Manual to ensure goods and services are received and accepted, and in accordance with contract terms prior to payment. • Appropriate court staff authorized payment based on the Court’s payment controls and authorization matrix. • Whether the payment reasonably represented an allowable “court operations” cost per Rule of Court, Rule 10.810. • Whether the payments for in-court service providers adhered to applicable Judicial Council policies. <p>(Note: We did not review court interpreter claims as the Audit Committee suggested we defer reviewing these types of claims to allow courts time to develop procedures to address previous systemic audit findings related to court interpreter claims.)</p>
---	--

4	Determine whether the Court properly calculates fine and fee distributions for certain selected case types.	During the planning phase for the audit, the Court informed us that the State Controller's Office had recently completed a revenue audit of the Court's fine and fee distributions and that it believes it has adequately corrected any fine and fee calculation or distribution errors. Therefore, we did not review any Court fine and fee calculations or distributions.
5	<p>Determine whether the Court properly calculates its one percent fund balance cap for the most recent completed fiscal year.</p> <p>Determine whether the Court spent any funds the Judicial Council approved the Court to hold from prior year excess fund balance funds only for the purposes approved by the Judicial Council.</p>	<p>We obtained the Court's final <i>1% Fund Balance Cap Calculation Form</i> for the most recently completed fiscal year at the time of our testing (fiscal year 2016-2017), and performed the following:</p> <ul style="list-style-type: none"> • Verified significant calculations and balance amounts. • Traced and verified significant inputs on the form (such as year-end encumbrances) to supporting records and the Phoenix accounting system. <p>We obtained any Judicial Council-approved request by the Court to hold excess prior year fund balances. To the extent that the Court had and spent any of these held funds, we verified that such spending was limited for the purposes previously approved by the Judicial Council.</p>
6	Determine whether the Court accurately reports case filings data to the Judicial Council through the Judicial Branch Statistics Information System (JBSIS).	<p>We obtained an understanding of the Court's process for reporting case filings data to the Judicial Council through JBSIS. For the most recent fiscal year for which the Judicial Council froze and used JBSIS data for funding allocations (fiscal year 2016-2017), we performed the following:</p> <ul style="list-style-type: none"> • Obtained the relevant JBSIS case filings data the Court reported to the Judicial Council and reconciled the case filings counts it reported to its underlying records of cases supporting each reported case filing count, by case type, to validate that

		<p>the Court accurately reported its case filings count data.</p> <ul style="list-style-type: none">• We selected 10 cases from six case types, for a total of 60 reported cases, and reviewed the relevant case file records to verify that the Court correctly applied the JBSIS definitions for reporting each case filing.
--	--	--

Assessment of Data Reliability

The U.S. Government Accountability Office (GAO) requires us to assess the sufficiency and appropriateness of computer-processed information that we use to support our findings, conclusions, or recommendations. In performing this audit, we obtained and reviewed financial transaction data from the Phoenix financial system—the statewide accounting system used by the superior courts—for the limited purpose of selecting transactions to test the Court’s compliance with its procurement and related payment activities. Prior to making our selections, we independently queried the Phoenix financial system to isolate distinct types of non-personal service expenditure transactions relevant to our testing—such as by general ledger code—and reconciled the resulting extract with the Court’s total expenditures as noted on its trial balance report for the same period. Our analysis noted no material differences leading us to conclude that use of the Phoenix financial transaction data was sufficiently reliable for the limited purpose of selecting transactions for testing.

Report Distribution

The Judicial Council’s *Advisory Committee on Audits and Financial Accountability for the Judicial Branch* (Audit Committee) reviewed this report on December 5, 2018, and approved it for public release.

California Rules of Court, Rule 10.500 provides for the public access to non-deliberative or non-adjudicative court records. Final audit reports are among the judicial administrative records that are subject to public access unless an exemption from disclosure is applicable. The exemptions under rule 10.500 (f) include records whose disclosure would compromise the security of a judicial branch entity or the safety of judicial branch personnel. As a result, any information meeting the nondisclosure requirements of rule 10.500(f) have been omitted from this audit report.

Audit Staff

This audit was completed by the following staff under the general supervision of Robert Cabral, Manager:

Dawn Tomita, Audit Supervisor
Joe Meyer, Senior Auditor (auditor-in-charge), CPA, CIA
Maria Dooley, Auditor, CPA, CFE
Diana Farias, Auditor
Veronica Perez Lee, Auditor, CFE
Kurtis Nakamura, Auditor

SCHEDULE OF AUDIT FINDINGS AND PLANNED CORRECTIVE ACTION

CASH HANDLING

The Court Generally Followed Required Cash Handling Procedures, But Can Strengthen Its Controls Over Certain Payment Collection Processes

Background

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

Overall, the Court demonstrated compliance in many of the areas we evaluated during the audit. Specifically, the Court demonstrated sound management practices in the areas of its void processing, end-of-day balancing and closeout processing, and deposits process.

Nevertheless, we identified 10 payment collection audit findings that we believe require the Court's attention and corrective action. These findings pertained to the following specific areas of cash handling:

Finding Reference	Subject Area
2018-1-01	Daily Opening Process - Verification of Beginning Cash
2018-3-01	Handwritten Receipts - Use of Receipts Log
2018-3-02	Handwritten Receipts - Accuracy of Receipts Logs
2018-4-01	Mail Payments - Endorsement
2018-4-02	Mail Payments - Mail Opening Process
2018-4-03	Mail Payments - Receipts Log
2018-4-04	Mail Payments - Prompt Payment Processing
2018-4-05	Mail Payments - Reporting of Unprocessed Checks
2018-6-01	Change Fund - Accountability
2018-9-01	Other Internal Controls - Safe Combination

FINDING REFERENCE: 2018-1-01

DAILY OPENING PROCESS – VERIFICATION OF BEGINNING CASH

CRITERIA

FIN MANUAL, FIN 10.02, 6.3.2 BEGINNING DAILY BALANCE:

2. Cashiers must count and verify receipt of their assigned individual beginning cash funds in the presence of their supervisor or his or her designee, and both must sign and date a cash receipt log for each such verification and receipt.

CONDITION

Contrary to FIN Manual requirements, the Court does not consistently require cashiers to count and verify receipt of their assigned individual beginning cash funds in the presence of a supervisor or designee at the beginning of the day. Specifically, for six of the 15 payment collection locations reviewed—all four departments at the Juvenile Justice Center, the Criminal/Traffic Department at the Hall of Justice, and the Collections Department at Camarillo Probation—the cashiers do not count and verify the receipt of their assigned individual beginning cash funds in the presence of their supervisor or designee. Instead, the supervisor or lead assigns the cash bags to clerks, and the clerks count their beginning cash funds alone at their desk. The Camarillo Probation payment collection location has only two employees but does not require them to verify their beginning cash funds while in the presence of each other, while, in contrast, the Pacific Probation payment collection location also has only two employees, but requires its employees verify their beginning cash funds in the presence of each other.

In addition, contrary to FIN Manual requirements, the Court does not consistently require both the designated supervisor and cashier to sign and date a log to demonstrate their count and verification of the beginning cash funds. Specifically, 12 of its 15 payment collection locations do not maintain and use the FIN Manual required beginning of the day cash receipt log.

According to the Court, it follows this practice because the beginning cash is counted the day before when the clerks submit their daily collections and is secured in the safe overnight. However, the FIN Manual requires the cashier to count and verify receipt of their beginning cash funds while in the presence of a designated supervisor, and for both the cashier and the designated supervisor to sign and date a cash receipt log at the beginning of each day to ensure continuous accountability of the cash funds.

As a result, the Court potentially allows a subsequent cash fund shortage to be without clear accountability of who may have caused the shortage or when it may have occurred as it would be potentially very difficult to resolve any discrepancy that might arise between the prior day's end-of-day cash count and the beginning cash amount. Adhering to such key controls helps protect the integrity of both the Court and all its cash handling employees.

RECOMMENDATION

To ensure clear accountability and to protect the integrity of its cash handling employees, the Court should consistently require cashiers to count and verify receipt of their assigned individual beginning cash funds in the presence of their designated supervisors, and to sign and date a cash receipt log for each such verification and receipt before cashiers commence their daily payment collection duties.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The court agrees with this finding.

Hall of Justice Criminal/Traffic Department: Patty Nunez, Manager, agrees with this finding. Cashiers will count the cash funds in the presence of a supervisor or lead worker when they are disbursed in the morning. The department has implemented the use of a cash receipt log for the supervisor/lead worker and cashier to sign when distributing the cash fund bags each morning.

Hall of Justice Civil Department: Alyson Hernandez, Manager, agrees with the finding. The Civil Department does have the cashier count the beginning cash funds in the presence of a supervisor or lead worker. They do not, however, have a log to sign upon distribution and counting of the beginning cash funds. The department has created a log to be utilized for this purpose.

Hall of Justice Family Law Department: Julie Camacho, Manager, agrees with the finding. Staff who are assigned a beginning cash fund are required to count and verify the amount of the fund in the presence of the supervisor or lead worker. The department does not, however, sign a cash receipt log for each verification. The department has now implemented the use of cash receipt log.

Juvenile Courthouse: Keri Griffith, Senior Manager, agrees with the finding. The department now has the cashiers count the beginning cash funds in the presence of a supervisor or lead worker and implemented the use of a cash receipt log on 9/24/2018.

Collections Department: Melanie Munoz, Manager, agrees with the finding. All Collections locations and East County Courthouse began using a log signed by the employee and supervisor (or designee) when cash bags are handed out in the morning and the beginning cash has been verified.

Response provided on 10/27/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/1/2018

Responsible Person(s):

Patty Nunez, Manager Criminal/Traffic Department

Alyson Hernandez, Manager Civil Department

Julie Camacho, Manager, Family Law Department

Keri Griffith, Senior Manager Juvenile Courthouse

Melanie Munoz, Manager, Collections Department

FINDING REFERENCE: 2018-3-01

HANDWRITTEN RECEIPTS – USE OF RECEIPTS LOG

CRITERIA

FIN MANUAL, FIN 10.02, 6.3.9 MANUAL RECEIPTS:

5. Issuance of manual receipt books by trial court to court facility supervisor:
 - a. When the court facility supervisor receives the manual receipt books, the facility supervisor must record each book on a log for the facility.
 - b. The log must include the date received, book number, and receipt number sequence (from and to receipt numbers).
6. Issuance of manual receipt book by court facility supervisor or his or her designee to cashiers:

- a. The supervisor or his or her designee must maintain control and oversight of the manual receipt books. When the cashiering system and/or case management system is not available to process automated receipts, the supervisor or designee will retrieve and issue books of prenumbered receipts to cashiers. Manual receipt books should only be used when the cashiering system and/or case management system is down.
- b. The supervisor or his or her designee issuing the prenumbered manual receipt books must monitor and maintain an accounting of the receipt books, including:
 - i. The receipt books issued;
 - ii. To whom the receipt book was issued;
 - iii. The date issued;
 - iv. The name of the person returning the book;
 - v. The date the books were returned (should be the end of the same day); and
 - vi. The receipt numbers used within each book.

CONDITION

While the Fiscal Department at the Hall of Justice maintains a central log that identifies the manual receipt books it issued to the various payment collection locations, the Hall of Justice, Criminal/Traffic Department, payment collection location supervisor does not maintain a separate log to monitor and account for this location's use of the individual manual receipt books. According to the Court, the Criminal/Traffic Department does not maintain its own log because the Fiscal Department maintains the log of the manual receipt books. However, the FIN Manual requires location supervisors to maintain control and oversight of the manual receipt books, and monitor and maintain an accounting of each book issued, including to whom the book was issued, the date issued, the person returning the book, the date returned, and the receipt numbers used. Without such a log, this location cannot monitor the appropriate use of manual receipts and is without clear accountability of when or who used the manual receipt books, or which receipts they issued.

RECOMMENDATION

The Court should develop and require supervisors, including the supervisor at the Hall of Justice, Criminal/Traffic Department, to consistently maintain a manual receipt book log to monitor and account for the manual receipt books, and that includes all the information required by the FIN Manual to better monitor and track its use of manual receipts.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Patty Nunez, Manager, Criminal/Traffic Department, agrees with the finding. Department supervisors will maintain a log for the manual receipt books.

Response provided on 10/3/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/1/2018

Responsible Person(s): Patty Nunez, Manager, Criminal/Traffic Department

FINDING REFERENCE: 2018-3-02

HANDWRITTEN RECEIPTS – ACCURACY OF RECEIPTS LOGS

CRITERIA

FIN MANUAL, FIN 10.02, 6.3.9 MANUAL RECEIPTS:

5. Issuance of manual receipt books by trial court to court facility supervisor:
 - a. When the court facility supervisor receives the manual receipt books, the facility supervisor must record each book on a log for the facility.
6. Issuance of manual receipt book by court facility supervisor or his or her designee to cashiers:
 - a. The supervisor or his or her designee must maintain control and oversight of the manual receipt books. When the cashiering system and/or case management system is not available to process automated receipts, the supervisor or designee will retrieve and issue books of prenumbered receipts to cashiers. Manual receipt books should only be used when the cashiering system and/or case management system is down.
 - b. The supervisor or his or her designee issuing the prenumbered manual receipt books must monitor and maintain an accounting of the receipt books, including:
 - i. The receipt books issued;
 - ii. To whom the receipt book was issued;
 - vi. The receipt numbers used within each book.
11. Return of completely used manual receipt books to central location:
 - a. Completely used manual receipt books must be returned to the fiscal office and logged in by recording the date returned and the facility supervisor or designee returning the books.

CONDITION

The Court's payment collection locations do not consistently maintain complete and accurate manual receipt book logs. Specifically, the East County Courthouse (ECC) location does not consistently enter on its manual receipt book inventory log the date the completely used books are returned to Headquarters (HQ). At the time of our visit in July 2018, the ECC location had seven manual receipt books in use, but its log was missing the date it returned an additional 58 used manual receipt books to HQ. According to the location's Criminal/Traffic supervisor, keeping the log accurate and up-to-date was likely overlooked because other area supervisors are temporarily covering at the location due to a high turnover.

Additionally, the ECC Collections Department supervisor, who oversees multiple payment collection locations throughout the county, maintains a manual receipt book inventory log to track the Department's manual receipt books; however, this log is also not accurate. For instance, the log did not reflect that a manual receipt book issued to the Oxnard DMV Collections location was reassigned to a different clerk since it was first issued. Also, the manual receipt books log at the Williams Probation Collections location indicated it returned a book in June 2018, although we observed this book at the location during our visit in July 2018. In addition, although the 2018 collections receipt books log listed two manual receipt books issued to the Ventura Probation Collections location and without a returned date, we did not observe these books at

this location. The log also listed 13 books issued to the Camarillo Probation Collections location, but we observed only six books at that location. Further, the Pacific Probation Collections location assigns manual receipt books to clerks, but these clerks in turn give some of these receipt books to county probation officers, so they can collect payments from individuals on probation, without documenting which books were given to which probation officer.

Finally, we observed that the Juvenile Justice Center (JJC) location does not consistently maintain an accurate and complete manual receipt books log. For example, the JJC location listed one manual receipt book twice on the log (once as being available for use and once as returned to HQ), did not list several books on the log that we observed in its safe--which the supervisors subsequently added to the log after our review--and does not record on its log who returned the issued books and the receipt numbers used within each book. According to a JJC location supervisor, recording the return of manual receipt books to HQ is a low-priority task for supervisors because they consider the master manual receipt book log maintained by the HQ Fiscal Department to be the definitive record. As a result, the Court is at risk of losing track of the manual receipts issued by its various payment collection locations.

RECOMMENDATION

To better control and track its use of manual receipts, the Court should require its payment collection location supervisors to consistently maintain accurate and complete manual receipt books logs that include information such as the names of the individuals possessing each book and the date they returned any manual receipt books to HQ. The Court should also consider implementing a process to periodically inventory all its manual receipt books to ensure that it can fully account for and confirm the appropriate use of all its receipt books and receipts.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Juvenile Courthouse: Keri Griffith, Senior Manager, agrees with this finding. We did find errors in our log, when compared to the receipt books. We had one listed as returned to Fiscal, but also listed as available. This was an oversight corrected while the auditors were here. We did not have Collections receipt books on our list because Collections said they were on their list. We subsequently have made sure that Collections books are on our list since the books reside in our safe.

Collections Department: Melanie Munoz, Manager, agrees with this finding. As of 9/19/18, all receipt books were removed from the cash bags at the Collections Hall of Justice location. All receipt books will remain locked in the safe under the control of a supervisor. When the CMS goes down, a supervisor will issue the receipt books to the clerks as needed.

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/1/2018

Responsible Person(s):

Keri Griffith, Senior Manager, Juvenile Courthouse and East County Courthouse
Melanie Munoz, Manager, Collections Department

FINDING REFERENCE: 2018-4-01
MAIL PAYMENTS – ENDORSEMENT

CRITERIA

FIN MANUAL, FIN 10.02, 6.3.4 CHECK, MONEY ORDER, AND CASHIER'S CHECK HANDLING PROCEDURES:

9. The trial court must restrictively endorse all checks, warrants, money orders, and other negotiable instruments immediately upon receipt and acceptance.

CONDITION

The Court's payment collection locations do not consistently restrictively endorse checks and money orders immediately upon receipt through the mail. For instance, the Criminal/Traffic Department at the Hall of Justice, did not restrictively endorse two of seven unprocessed checks we selected to review. According to the Court, the missing endorsements were due to insufficient training of staff newly assigned to the mail desk. Additionally, the Family Law Department at the Hall of Justice allows individuals to drop off their documents and any associated payments. However, court staff do not immediately endorse checks that are dropped off because they are unsure whether they will be able to process the payment or will need to return the payment if the parties incorrectly completed the filing or check. Instead, staff endorse mail checks and money orders later once they have entered the payments into its CMS. However, endorsing checks and money orders "for deposit only" immediately upon receipt as required by the FIN Manual protects courts' interests by limiting the potential for further negotiation. Such endorsements do not prohibit courts from later voiding and returning unacceptable checks or money orders. When courts do not immediately restrictively endorse checks or money orders, they risk that unendorsed checks and money orders may be lost or stolen and cashed or deposited in a non-court bank account.

RECOMMENDATION

To ensure the safe, secure collection, and accurate accounting of all payments received through the mail, the Court should take steps, such as periodic staff training, to ensure that all staff consistently restrictively endorse all checks, money orders, and other negotiable instruments immediate upon receipt in the mail.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Hall of Justice, Criminal/Traffic Department: Patty Nunez, Manager, agrees with this finding. All checks will be endorsed.

Hall of Justice, Family Law Department: Julie Camacho, Manager, agrees with this finding. The FL Department will implement a corrected procedure that will require the back office staff to review all dropped filings to determine if a check payment is included, and if so, the clerk will endorse the check payment.

Response provided on 10/3/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/1/2018

Responsible Person(s):

Patty Nunez, Manager, Criminal/Traffic Department

Julie Camacho, Manager, Family Law Department

FINDING REFERENCE: 2018-4-02

MAIL PAYMENTS – MAIL OPENING PROCESS

CRITERIA

FIN MANUAL, FIN 10.02, 6.4 PAYMENTS RECEIVED THROUGH THE MAIL:

2. To provide for the strongest protection of trial court assets and to protect the integrity and reputation of the trial court, a team approach should be used to maintain accountability for payments received through the mail. When processing mail payments, the court should adhere to the following procedures:
 - a. One person can open the mail and create the payment receipts log if he or she is recorded on video and the video is retained for at least six months.
 - b. Mail should only be processed when both team members are present. Alternatively, if two people cannot be present during mail opening, then one person—without opening the envelopes—should start the payment receipts log by sequentially numbering the envelopes and documenting the envelope number and the sender's name in the payment receipts log. When the second person opens the mail, he or she should complete the payment receipts log for each envelope identified by the first person. A field should be added to the payment receipts log to indicate when an envelope does not contain a payment; not all fields listed in Paragraph 3(b) below will be completed.
 - c. Two-person team combinations should be rotated regularly.
 - d. To maintain separation of duties, team members opening and logging mail payments should not also enter the mail payments in the court's cashiering system and/or automated case management system, if possible.

FIN MANUAL, FIN 1.01, 6.4 TRIAL COURT OPERATING STANDARDS:

4. A presiding judge or his/her designee who wants to establish an alternative procedure will submit a signed and dated Request for Alternative Procedure Form (copy provided in 7.0, Associated Documents) to:

Judicial Council of California
Director of Branch Accounting and Procurement
Attn.: Trial Court Alternative Financial Policies and Procedures
2850 Gateway Oaks Drive, Suite 300
Sacramento, CA 95833-4348
E-mail: TCFin@jud.ca.gov

A written response to the submission of alternative procedures will be returned to the submitting court within 60 business days of receipt of the document. When a Request for

Alternative Procedure has been received by Judicial Council of California Staff, an acknowledgement of receipt will be returned to the submitting court. The 60 business-day response time will begin once the court receives that acknowledgement of receipt. Absent a response from Judicial Council of California Staff within 60 business-days, the alternative procedure will be in effect, subject to further review and consideration by Judicial Council of California Staff. Undocumented procedures or those not approved by Judicial Council of California Staff will not be considered valid for audit purposes.

Once approved, alternative procedures must be documented by the trial court, incorporated into the local trial court manual, and distributed to court personnel. Any alternative procedure that is different from what is included in the Trial Court Financial Policies and Procedures Manual or the county's policy document must first be approved by Judicial Council of California Staff.

CONDITION

The Court's Hall of Justice (HOJ) payment collection location does not follow the suggested two-person "team approach" when opening payments received through the mail. In addition, it does not adhere to an alternative procedure, such as opening the mail in a central area with an unobstructed view that is visible to others or in clear view of a recording video camera, to mitigate the risk of lost or stolen mail payments. Instead, we observed a single individual in its Records Department open the mail in a semi-open cubicle that is visible to other employees if they were to look over the cubicle partition while walking by. According to the HOJ location, it does not have a sufficient number of available staff to assign two people to open the mail. However, when courts do not use two-person teams to open mail nor implement alternative procedures such as those suggested in the FIN Manual, they are at heightened risk for lost or stolen mail payments. Payments received by mail is an area of high-risk—since the payer is neither present during the transaction nor is guaranteed to receive a receipt—and the FIN Manual's guidance is intended to mitigate the risk of lost or stolen payments.

Additionally, at its Juvenile Justice Center, as well as at its Criminal/Traffic Department and its Collections Department at the Hall of Justice, the Court allows the person who opens the mail payments to also enter those mail payments in the CMS. According to the Court, this is its long-standing practice. However, to appropriately separate potentially conflicting duties, the FIN Manual suggests that persons opening mail payments should not also enter the mail payments in the CMS. As a result, the Court is at increased risk for "skimming" or "lapping" fraud by those employees who concurrently open and process mail payments.

RECOMMENDATION

To ensure the safe, secure collection, and accurate accounting of all payments received through the mail, the Court should monitor to ensure its payment collection locations either consistently follow a two-person team approach where both individuals are present when opening mail payments, or implement alternative procedures, such as those suggested in the FIN Manual, to mitigate the risk of lost or stolen mail payments. Further, the Court should ensure that the same employees do not both open payments received by mail and enter the mail payments in the CMS.

If the Court cannot implement a two-person team approach or the alternative procedures suggested in the FIN Manual, or the suggested separation of duties, it should prepare and submit to the Judicial Council a request for approval of an alternate procedure for opening and accounting for the payments it receives in the mail.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

A new mail opening process is being implemented. The Criminal/Traffic and Records & Exhibits Departments will team up to open both departments' mail together.

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/10/2018

Responsible Person(s):

Patty Nunez, Manager, Criminal/Traffic Department

Denise Gooding, Manager, Records & Exhibits Department

FINDING REFERENCE: 2018-4-03

MAIL PAYMENTS – RECEIPTS LOG

CRITERIA

FIN MANUAL, FIN 10.02, 6.4 PAYMENTS RECEIVED THROUGH THE MAIL:

3. To provide for the strongest oversight and monitoring of payments received through the mail, courts should maintain a payments receipt log. Without a payment receipts log, courts have no record to reference or research should a mail payment become lost or stolen. The following method should be used for processing payments received through the mail:
 - a. The payments receipts log sheet should include the following information:
 - i. Case or docket number;
 - ii. Name of the person making the payment;
 - iii. Amount of cash, check, and money order;
 - iv. Check or money order number;
 - v. Date received in the mail; and
 - vi. Name of the person opening the mail and the person recording the payment on the Payments Receipt Log.

CONDITION

The Court's Hall of Justice (HOJ) payment collection locations do not maintain the suggested Payment Receipts Log to create a record of the payments received in the mail. Specifically, the individuals who open the mail at the HOJ Records Department, the HOJ Criminal/Traffic Department, and the Collections Department do not record on a log the payments received in the mail before disbursing the payments for processing. Such a Payments Receipt Log should capture and record key identifying information—such as the case numbers, the persons making the payment, and the check numbers—that may be useful in tracking lost mail payments. According to the Court, the departments that open mail payments do not use and maintain logs to record the payments received in the mail because it would be difficult to maintain detailed

itemized logs for the large volume of mail it receives. Also, the individual HOJ payment collection locations do not use and maintain mail payment receipts logs because the Court's local cash handling policies and procedures do not require the use of such a log. While the departments that open mail payments maintain a log of all cash payments received in the mail, they do not log all the other forms of payments received in the mail. As a result, the HOJ location does not capture sufficient information to monitor and track individual mail or drop box payments and is therefore at increased risk for lost or stolen mail and drop box payments.

RECOMMENDATION

To ensure the safe, secure collection, and accurate accounting of all payments received through the mail or drop boxes, the Court should consider implementing specific local cash handling policies and procedures, as well as periodic training and monitoring, to ensure that staff at its payment locations consistently complete a Payment Receipts Log with all key information necessary to establish a clear record of all the payments, cash and non-cash, received through the mail or drop boxes. The Court can subsequently use these logs to reconcile and confirm entry of these mail and drop box payments into its CMS during the end-of-day closeout process.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

The Court does not agree with this finding. None of the three departments that open mail maintain a Payment Receipts Log to create a record of the payments received in the mail. Hundreds of mailed payments are received by the court each day. The court maintains that due to the volume of mailed payments this is not a realistic goal.

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: The Court does not plan to take further action.

Responsible Person(s):

Melanie Munoz, Manager, Collections Department

Patty Nunez, Manager, Criminal/Traffic Department

Denise Gooding, Manager, Records & Exhibits Department

AUDIT SERVICES' COMMENTS ON COURT'S VIEW

To provide clarity and perspective, we are commenting on the Court's response. Without a payments receipt log, the Court will have no record to reference or research should a mail payment become lost or stolen. Since the Court does not maintain a mail payment receipts log, it also cannot reconcile such a log to the mail payments receipted in the CMS to verify that the cashier processing the mail payments entered all the mail payments into the CMS, which further increases its risk for mail payments being lost or stolen. Our recommendations are meant to help the Court mitigate this potential risk.

FINDING REFERENCE: 2018-4-04

MAIL PAYMENTS – PROMPT PAYMENT PROCESSING

CRITERIA

FIN MANUAL, FIN 10.02, 6.4 PAYMENTS RECEIVED THROUGH THE MAIL:

4. Checks and money orders received through the mail should be processed on the day they are received (i.e., endorsed with an immediately restrictive endorsement for deposit in the court bank account, entered into the court's receipting system, and deposited to the appropriate bank account). Any exceptions are to be brought to the attention of a supervisor, placed under dual control, and processed as soon as practicable. Money received through the mail will be deposited and entered in the court's cashiering system and/or automated case management system on the day received.

CONDITION

Contrary to FIN Manual requirements, the Court's Juvenile Justice Center (JJC) payment collection location does not consistently process mail payments by the next day. Specifically, of the ten mail payments selected for review at this location, nine remained unprocessed for between three and 15 days. According to the lead clerk at this location, some delays occurred because the employee responsible for processing these payments was on vacation, while some delays were due to the employee's conflicting workload. As a result, the JJC location does not promptly process mail payments by the next business day and risks losing track of and not being able to fully account for its unprocessed mail payments.

RECOMMENDATION

The Court should take steps to ensure all court staff working in payment collection locations strive to enter mail payments into its CMS system by the next business day. Such steps might include additional training for court staff and periodic monitoring by court management to ensure that payments received by mail are appropriately logged, promptly processed, and reported to appropriate management when processing delays occur.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Juvenile Courthouse: Keri Griffith, Senior Manager, agrees with this finding. Staff have been retrained to post all payments in accordance with the FIN Manual requirements and all status reports have been updated to clearly delineate the age of checks so the supervisors/manager can ensure that the checks are being handled promptly.

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 9/21/2018

Responsible Person(s): Keri Griffith, Senior Manager, Juvenile Courthouse

FINDING REFERENCE: 2018-4-05

MAIL PAYMENTS – REPORTING OF UNPROCESSED CHECKS

CRITERIA

FIN MANUAL, FIN 10.02, 6.4 PAYMENTS RECEIVED THROUGH THE MAIL:

5. To provide for strong oversight and monitoring of payments not processed on the day they were received in the mail, courts must adhere to the following steps:
 - a. The supervisor/manager responsible for the trial court staff who process payments must identify and log any payment that has been held for more than 5, 15, and 30 calendar

days without being processed. The log must specify the reason why the payment cannot be processed. The log must identify any cash payment being held in suspense for more than 5, 15, and 30 calendar days.

- b. The supervisor/manager responsible for the trial court staff who process payments must provide a report, at least on a monthly basis, to the court executive officer and the court fiscal officer, and/or to his or her written designee, that lists by age (length of time held) any payment that has been held for more than 15 and 30 calendar days without being processed. The report must provide the following details, if known, for each payment being held:
 - i. Case or docket number;
 - ii. Name of the person mailing the payment;
 - iii. Payment amount;
 - iv. Check number (if applicable);
 - v. Date received in the mail; and
 - vi. Reason why payment cannot be processed.

CONDITION

The Court's Hall of Justice (HOJ) payment collection location does not report to the CEO and CFO payments that have been held unprocessed for more than 15 and 30 days. According to a HOJ Criminal/Traffic Department lead clerk, the Department returns mail payments that cannot be processed within 30 days. This sometimes happens when the clerk does not have a case upon which to apply the mail payment because a citation has not yet been entered into the system. When this happens, the Criminal/Traffic Department returns the mail payments that cannot be processed in a timely manner, which means the Department could hold unprocessed mail payments for longer than 15 days. In addition, the HOJ Family Law Department had unprocessed mail payments related to a request for jurisdiction transfer. According to this Department, State law requires it to wait 30 days before transferring a case to another jurisdiction in case the opposing party files an appeal. Since the Department is unsure whether it will accept or return the payment, it does not immediately process the payments and instead keeps the unprocessed mail payments for a minimum of 30 days. The Family Law Department manager stated that higher level managers indicated that there was no need to inform the CEO or the CFO of these unprocessed mail payments as long as the issues were eventually resolved. However, not processing mail payments promptly for deposit in the bank and not reporting these unprocessed mail payments to the CEO and CFO as the FIN Manual requires unnecessarily places these mail payments at increased risk of loss or theft.

RECOMMENDATION

The Court should ensure that all supervisors/managers responsible for staff who process mail payments take steps to identify and log any mail payment that has been held for more than five, 15, and 30 calendar days without being processed. For those mail payments held more than 15 or 30 calendar days, the Court should monitor to ensure the supervisors/managers consistently provide a report to the CEO and CFO providing the details for each payment held, including the reason why the mail payment cannot be processed.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Hall of Justice, Criminal Traffic Department: Patty Nunez, Manager, agrees with this finding. The department will create a log and submit to the CEO.

Hall of Justice, Family Law Department: Julie Camacho, Manager, agrees with this finding. A log will be created and a process will be put in place to report to the court CEO and CFO any payments held for more than 15 and 30 calendar days. Re: the court orders for transfer, pursuant to CCP 400, these checks must be held at least 20 days. In the future, they will be logged and reported to the court CEO/CFO.

Response provided on 10/4/2018: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 10/1/2018

Responsible Person(s):

Patty Nunez, Manager, Criminal/Traffic Department

Julie Camacho, Manager, Family Law Department

FINDING REFERENCE: 2018-6-01

CHANGE FUND – ACCOUNTABILITY

CRITERIA

FIN MANUAL, FIN 10.02, 6.3.1 CASH CHANGE FUND:

6. The court executive officer or his or her designee must appoint a custodian for each Cash Change Fund that is \$500 or more at any separately managed trial court location. The custodian is responsible for the safekeeping, replacement, disbursement, and accounting for the assigned Cash Change Fund. A copy of this policy must be given to the custodian to ensure that he or she understands the requirements for the Cash Change Fund.
 - c. When custody of the Cash Change Fund is transferred to another custodian:
 - i. A personal audit of the fund must be made by the trial court employees directly concerned; and
 - ii. A Cash Change Fund Change of Custodian form (provided in 7.0, Associated Documents) must be completed for the approval of the court executive officer or his or her designee.
7. At the end of each business day, individuals responsible for making change from the Cash Change Fund must—in the presence of a court manager, supervisor, or his or her designee—count, verify, and reconcile the Change Fund monies to the day's beginning balance, and initial and date the verification/reconciliation

CONDITION

The Court does not adhere with many of the FIN Manual requirements applicable to Cash Change Funds. Specifically, the CEO or designee does not approve a Cash Change Fund Change of Custodian Form when it transfers custody of its \$1,500 change fund weekly to a new custodian. In addition, the Court does not provide its multiple change fund custodians with a copy of the FIN Manual policy on cash change funds so that they understand the requirements

applicable to change funds. Further, it does not require the individuals responsible for the change fund to perform a daily count, verification, and reconciliation of the change fund monies to the day's beginning balance while in the presence of a court manager, supervisor, or designee.

According to the Fiscal Services senior analyst, the Court does not make a single custodian responsible for the \$1,500 change fund because of the large volume of its change transactions. For instance, because there are dozens of clerks at the main courthouse, a single custodian would spend an inordinate amount of their time making change and be unable to focus on their other assigned duties. Therefore, the Court rotates the change fund custodian duties weekly among its analysts and accountants. In fact, its July 2018 through September 2018 change fund custodian schedule includes at least 11 different individuals scheduled to act as the change fund custodian during that period. In addition, custodians count and verify the change fund each day while alone at their desks and its Fiscal Services auditors conduct surprise cash counts of the change fund three times a year. Although its practice results in the change fund being counted and verified by a new individual at least weekly, with a supervisor investigating any discrepancies if the change fund were out of balance, the change fund is not counted and reconciled daily while in the presence of a manager or supervisor as required by the FIN Manual.

Nonetheless, because the Court does not assign responsibility for its \$1,500 change fund to a single individual, does not count and reconcile the fund daily while in the presence of a manager or supervisor, and because so many people have access to the safe in which the change fund is kept throughout the day, the Court is at increased risk that money from the change fund could go missing without clear accountability as to who was responsible for the shortage.

Similarly, the Juvenile Justice Center (JJC) payment collection location does not assign a single individual as responsible for its \$700 change fund. Instead, it makes the four individuals with access to the safe jointly responsible for maintaining the change fund but has not provided these individuals with a copy of the FIN Manual policy outlining applicable change fund requirements. According to the JJC, it assigns joint responsibility to these individuals to cover situations such as when one of them is unavailable due to illness, vacation, or a meeting. However, the FIN Manual requires the Court CEO to appoint a custodian for change funds of \$500 or more, and to also provide the custodian with a copy of the FIN Manual change fund policy to ensure they understand the requirements applicable to change funds. As a result, the Court location is at risk of staff not using cash change funds appropriately and of not being able to fully account for the cash in its change fund.

Finally, the East County Courthouse (ECC) payment collection location does not require its change fund custodians to count and verify their respective change funds each day while in the presence of another manager or supervisor. Specifically, a supervisor counts the \$400 change fund alone once a week every Saturday. The Court follows this practice because it does not have written local cash handling policies and procedures that could help align its cash handling practices closer to the FIN Manual requirements. Nonetheless, the FIN Manual requires court staff to count, verify, and reconcile change funds daily while in the presence of another manager or supervisor. As a result, the ECC location's current practice potentially allows a change fund shortage to occur without clear accountability of when the shortage may have occurred or who may have caused the shortage. According to the ECC location, subsequent to the audit, it

implemented a process for a supervisor to count the change fund daily in the presence of another supervisor when possible.

RECOMMENDATION

To reduce the risk of prolonged unaccountable change fund shortages and overages, the Court should create local cash handling policies and procedures that align with the FIN Manual requirement to count, verify, and reconcile the change fund monies to the day's beginning balance at the end of each business day. In addition to verifying the change fund at the end of each business day, the Court should ensure that the daily verification is done in the presence of a court manager, supervisor, or designee.

To ensure that the cash in each change fund remains reasonably secure and fully accounted for, the Court should appoint a single custodian for each of its cash change funds. If the Court determines that it cannot feasibly appoint a single custodian for each of its change funds, it should prepare and submit to the Judicial Council a request for approval of an alternate procedure to increase the number of custodians assigned to each of its cash change funds.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Fiscal Services: Kelly O'Dell, Director of Fiscal Services, agrees with the finding. The director will appoint a custodian for the \$1,500 Cash Change Fund. A copy of the FIN Manual policy on cash change funds will be given to the custodian. The Department will change the rotation of the Change Fund Custodian from weekly to monthly and perform the daily count, verification, and reconciliation of the change fund monies in the presence of another person. When the Change Fund Custodian changes, a Change Fund Custodian Form will be submitted to the Director of Fiscal Services.

Juvenile Courthouse: Keri Griffith, Senior Manager, agrees with the finding. The proposed corrective action is to have a two-person approach to verifying the cash fund at the end of each day. The person preparing the deposit will count the funds, fill out our log, then another supervisor/manager or designee will verify the amount. Additionally, the CEO can appoint the senior manager as the custodian and she can implement audits of the change fund on months when the fiscal department is not conducting a surprise audit. A copy of the FIN Manual policy on cash change funds will be given to the custodian.

East County Courthouse: Keri Griffin, Senior Manager, agrees with this finding. As of 7/23/18, the (\$400) cash drawer/change fund is balanced on a daily basis and an electronic record is saved. As of 9/20/18 the cash fund will be counted daily in the presence of another supervisor or designated individual

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: [See above]

Responsible Person(s):

Kelly O'Dell, Director of Fiscal Services

Keri Griffith, Senior Manager of the Juvenile Courthouse and East County Courthouse

Melanie Munoz, Manager, Collections Department

FINDING REFERENCE: 2018-9-01

OTHER INTERNAL CONTROLS – SAFE COMBINATION

CRITERIA

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

3. When using safes and vaults, the following procedures must be followed:
 - a. The combination will be distributed to as few persons as possible consistent with operating requirements and the value of the cash or documents safeguarded.
 - b. The combination should be memorized by trial court employees and should not be kept in legible form. If necessary to maintain the combination in legible form, it should not be kept in any written or electronic document that identifies it as the combination to the safe and should be maintained in a secure location not visible or accessible to anyone else. Only the court executive officer or the court executive officer's designee is approved to maintain the combination to the safe in legible form that identifies it as such.
 - d. The court executive officer or his or her designee will maintain a record showing the following information:
 - i. The date the combination was last changed; and
 - ii. The names of persons knowing the current combination.
 - e. The trial court should change the combination when any of the following occur:
 - i. The combination becomes known to an excessive number of trial court employees;
 - ii. A trial court employee with knowledge of the combination separates from employment in the trial court;
 - iii. A trial court employee with knowledge of the combination no longer requires the combination in the performance of his or her duties; or
 - iv. The time interval (defined by the trial court) during which the combination shall remain valid has expired.

CONDITION

Although Fiscal Services keeps a safe combination log that lists the date the combination to the safe was last changed and the persons to whom it distributed the combination, it does not promptly update its log. Specifically, our July 2018 review revealed that Fiscal Services did not add to the log the names of three additional employees to whom it distributed the safe combination. According to the Court, between December 2017 and June 2018, it promoted these three employees to positions that require them to know the safe combination. However, Fiscal Services did not promptly update the log to reflect the names of all the people to whom it distributed the present safe combination. As a result, its practice does not ensure its log reflects a complete and accurate record of all persons who know the present safe combination, further complicating any potential investigation of unauthorized access to its safe.

The Court also does not distribute the combination to the safe at the East County Courthouse location to as few people as possible. Specifically, although only three supervisors work at the location on a regular basis, six other supervisors who do not regularly work at the location also

know the safe combination. According to the Court, this occurs because the Collections Department staffs the location six days per week and there are times when Collections Department supervisors from other locations are assigned to work at the East County Courthouse location; therefore, they also need access to the safe.

The Court also does not safeguard the combination to the safe at its Ventura Probation payment collection location. Specifically, contrary to FIN Manual requirements, this location wrote the safe combination on a piece of paper and stores this paper in an unlocked desk drawer overnight, primarily so that replacement staff will be able to access the safe should the location staff be out sick. According to the Court, the desk drawer lock is broken, and it has not fixed the lock because the desk belongs to the County. In addition, the Court does not change the combination to the safe when a collection officer leaves and begins working at a different Court location. However, the FIN Manual discourages courts from keeping a written record of the safe combinations and suggests courts change the safe combination when someone with knowledge of the combination leaves or no longer requires the combination to perform their job duties.

Finally, although not a combination safe, we observed that the Camarillo Probation payment collection location does not sufficiently safeguard the two keys needed to open its safe. Specifically, the location keeps one of the keys needed to open the safe in a locked drawer and keeps the second key needed to open the safe, as well as the key needed to open the locked drawer where the first key is secured, in an unlocked drawer, both in the same room as the safe. According to the Court, it follows this practice so that if either of the two employees assigned to the location is absent, the other employee will have access to the keys and be able to gain access to the safe. However, other individuals, such as county employees, also have access to this room where the safe and keys are located.

As a result, the Court is at increased risk of theft of cash and other payments from the safe at various payment collection locations, potentially without clear accountability of who may have accessed and taken the payments from the safe.

RECOMMENDATION

To ensure it properly safeguards the contents of its safes, the Court should require staff to change the combinations to each safe as suggested in the FIN Manual; for example, when the combination becomes known to an excessive number of court employees. The Court should also take steps to adequately restrict access to its safes at its Ventura Probation and Camarillo Probation payment locations. Finally, the Court should continuously maintain an accurate up-to-date record of the names of the individuals knowing the current combination to its safes.

COURT'S VIEW AND CORRECTIVE ACTION PLAN

Fiscal Services: Kelly O'Dell, Director, agrees with the finding. The safe combination will be changed and the log updated.

East County Courthouse: Melanie Munoz, Collections Manager and Keri Griffith, Senior Manager of the East County Courthouse, agree with the finding. The safe combination for the East County Courthouse was available to all 9 collections supervisors/managers. As of 9/20/18, the safe combination will only be provided to the supervisors assigned to East County

Courthouse. The combination will be saved in a password protected document and when a supervisor from Ventura needs to cover East County, they will be provided with the password to open that document to obtain the safe combination.

Collections Department: Melanie Munoz, Manager, Collections Department, agrees with the finding. A new safe has been purchased and delivered to the Camarillo Probation office on 9/13/18. The new safe uses a keypad combination to open the safe and keys are no longer used. The HOJ Ventura Collections supervisor maintains the combination and will provide the combination to replacement staff when needed. The safe combination will be changed every time a new Collection officer is assigned to that location.

Response provided on 10/4/2018 by: Kelly O'Dell, Director of Fiscal Services

Date of Corrective Action: 11/1/2018

Responsible Person(s):

Kelly O'Dell, Director of Fiscal Services

Keri Griffith, Senior Manager, East County Courthouse

Melanie Munoz, Manager, Collections

PROCUREMENT AND CONTRACTS

The Court Generally Complied with Applicable Requirements for Procuring Goods and Services

Background

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

Our review found that, except for one minor instance of non-compliance that we communicated separately to the Court, it generally complied with applicable requirements for procuring goods and services. Specifically, the Court demonstrated compliance in various areas we evaluated during our audit, including demonstrating sound management practices in the areas of authorization and authority levels, in soliciting non-competitive procurements, and in other internal controls over procurements and contracts.

PAYMENT PROCESSING

The Court Generally Complied with Applicable Payment Processing Requirements

Background

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

Our review found that, except for two minor instances of non-compliance that we communicated separately to the Court, it generally complied with applicable requirements in the payment processing areas we evaluated during our audit. Specifically, the Court demonstrated sound management practices in the areas of its payment authorizations, three-point match process, and allowable costs.

FINE AND FEE DISTRIBUTIONS

The Court Believes It Adequately Corrected Its SCO Fine and Fee Calculation and Distribution Findings

Background

Trial courts must accurately calculate and distribute the monies they collect so that State and local funds receive the amounts State law designates for each. State statutes and local ordinances govern the distribution of the fines, penalties, fees, and other assessments that courts collect. In addition, courts rely on the State Controller's Office *Trial Court Revenue Distribution Guidelines* and the Judicial Council *Uniform Bail and Penalty Schedules* to calculate and distribute these court collections to the appropriate State and local funds. Courts may use either an automated system, manual process, or a combination of both to perform the often-complex calculations and distributions required by law.

During the planning phase for the audit, the Court informed us that the State Controller's Office (SCO) had recently completed a revenue audit of the Court's fine and fee distributions. The Court informed us that it believes it has adequately corrected any fine and fee calculation or distribution errors and that our follow-up review of its corrections was not necessary. Therefore, we did not review any of its fine and fee calculations or distributions.

ONE PERCENT FUND BALANCE CAP

Background

State law allows trial courts to retain unexpended fund balance reserves in an amount that does not exceed one percent of its prior fiscal year operating budget. To assist in ensuring compliance with this requirement, the Judicial Council requires courts to prepare and submit a final *1% Fund Balance Cap Calculation Form* (calculation form) approximately six months after the end of the fiscal year, which calculates the amount of fund balance that a court may carry over into the next fiscal year. Courts self-report the inputs on the calculation form, such as year-end expenditures, expenditure accruals, and encumbrances.

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

There are no issues to report at this time pending the Audit Committee obtaining clarification on certain issues from the Trial Court Budget Advisory Committee.

JBSIS CASE FILING DATA

The Court Should Ensure It Reports Accurate Case Filings Counts and Data to JBSIS

Background

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

Our review found that the Court maintained documentation to support some of the JBSIS case filings data it submitted to Office of Court Research. Nevertheless, our review identified two JBSIS-related audit findings that we believe require the Court's continuous monitoring. These findings pertained to the following specific areas of the JBSIS case filings data:

Finding Reference	Subject
2018-29-01	Validity of JBSIS Data – Case Filings Counts
2018-29-02	Validity of JBSIS Data – Data Quality

FINDING REFERENCE: 2018-29-01

VALIDITY OF JBSIS DATA – CASE FILINGS COUNTS

CRITERIA

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

Consistent with article VI, section 6 of the California Constitution and Government Code section 68505, the Judicial Branch Statistical Information System (JBSIS) is established by the Judicial Council to provide accurate, consistent, and timely information for the judicial branch, the Legislature, and other state agencies that require information from the courts to fulfill their mandates. Each trial court must collect and report to the Judicial Council information according to its capability and level of automation as prescribed by the *JBSIS Manual* adopted by the Judicial Council.

JBSIS [MANUAL], VERSION 3.0, MENTAL HEALTH 10a—FILING

A mental competency filing should be counted when/if the competency of the defendant or juvenile is being questioned. The court finding of competent or not competent would be considered the disposition of the case.

CONDITION

Although the Court reported to JBSIS a materially accurate total count of 151,506 new case filings in fiscal year 2016-17, it double-counted certain case filings in some instances. Each month, the Court reported each new case filing as a count in one of 89 possible case categories (such as “civil limited” or “felony”). Audit Services reviewed the underlying court records supporting its reported case counts for fiscal year 2016-17 and found that the Court reported to JBSIS case count data that generally matched its supporting case count records. Specifically, Court reporting to JBSIS of new fiscal year 2016-17 case filing counts provided 1,068 individual monthly counts of new case filings by category (89 categories per month x 12 months). Our review noted count differences in only 36 of the 1,068 individual monthly counts (or approximately 3 percent of the time). The differences varied across each of the 36 monthly counts, with its underlying monthly case filing count records supporting the counts it reported to JBSIS at times being higher or lower than the corresponding count totals in JBSIS. The sum of all over and under-counted case filings in absolute terms and without regard to case weights was 115 cases, or less than .08 percent of the 151,506 new case filing counts the Court reported. However, these case filing count differences between the JBSIS count data and the Court’s records do not include many of the instances we noted where it also double-counted case filings.

For instance, the Court self-identified and initiated action to correct certain case filing errors prior to the beginning of our review. In May 2018, the Court’s Family Law CMS programmer found that the CMS erroneously counted a new case when the Court consolidates Family Law cases. When the Court consolidates cases, one case becomes the master or lead case and the remaining cases become the consolidated cases. The CMS programmer determined that when clerks entered consolidation dates in the CMS during 2017, the CMS erroneously counted 167 new case filings. The programmer informed us that he was correcting the 2017 consolidation errors as he found them, and that the Court should probably look for similar errors in the 2011 to 2018 case file data because the data needs to be accurate prior to the Court converting the data to a new CMS. The CMS programmer subsequently provided the Court with suggestions for clarifying its case consolidation procedures. According to the Family Law Program Manager, court staff were entering incorrect consolidation dates in the CMS and it has since clarified the Family Law Consolidation procedures.

The Court also double-counted a sizeable portion of the 460 mental health case filing counts it reported to JBSIS under “Mental Competency” for fiscal year 2016-17. Specifically, the Court double-counted 146, or nearly a third, of the 460 mental health case filing counts it reported to JBSIS when it miscounted as a new case filing the finding that a defendant is not mentally competent. According to the database analyst, this occurred because the analyst misinterpreted the JBSIS Manual definition for Mental Competency and, therefore, designed the query for the Mental Health case type report to capture both when the Court suspended criminal proceedings as well as when it found the defendant not competent. However, the JBSIS Manual indicates that

a new case filing is counted when courts suspend criminal proceedings to investigate the mental health of the defendant. Courts should not count the case again as a new case filing upon the finding of mental incompetence or disposition of the case. As a result, the Court over-reported 146 of the 460 mental health competency cases it reported to JBSIS as new case filing counts in fiscal year 2016-17. The database analyst stated having plans to correct the query to include only the suspension of a criminal proceeding to investigate the mental health of a defendant as a new case filing count reported to JBSIS.

Finally, we found that the Court does not take prompt action to correct and amend its JBSIS case filing counts data when it identifies a significant error. Our review of its Juvenile Dependency case filing count records found a note in which court staff identified an error in the number of adoption cases reported under the Juvenile Dependency case type. The Court reported 33 new case filing counts to JBSIS for the month of March 2017, but the associated note stated: “33 should be 0, incorrect entry.” Nonetheless, our review of information the Court provided from its CMS system found that its records supported eight new case filings for the month of March 2017, not 33 or zero. Based on our query of the JBSIS court statistics maintained by the Office of Court Research, we determined that as of September 2018 the Court had not yet amended the overstated March 2017 Juvenile Dependency case filing counts it previously reported to JBSIS.

Although we commend the Court on its relatively low overall error rate, Audit Services raises this JBSIS reporting discrepancy as an audit finding since the Judicial Council has yet to establish data quality standards that (1) define an acceptable error rate for reporting and (2) define what steps each court is expected to take to reasonably ensure accurate and complete reporting. Until such standards exist, courts should continue to focus on monitoring and further improving its JBSIS reporting practices to ensure case counts are fully supported by its records and are not double-counted.

RECOMMENDATION

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

- Seek guidance from the Judicial Council on acceptable error rates when reporting JBSIS case counts, so it can determine when its reports are sufficiently flawed and require an amended report.
- Periodically review listings of reported case filings, such as monthly or quarterly, to identify individual cases that may have been double-counted in the same reporting period or across previous reporting periods or that may have been consolidated and counted again.

COURT’S VIEW AND CORRECTIVE ACTION PLAN

Agree

The Court makes every effort to ensure the accuracy of JBSIS reporting. The data reporting errors have been corrected and the Court will also adopt the recommendations.

RE: JC Statement: *“Finally, we found that the Court does not take prompt action to correct and amend its JBSIS case filing counts data when it identifies a significant error.”*

Court Response: The Court's practice is to correct any data errors immediately and resubmit the data in a timely manner. This specific error was an oversight and has since been corrected and an amended JBSIS report was subsequently submitted.

Response provided on 11/2/2018 by: Richard Cabral, Director of Finance/Planning and Collections

Date of Corrective Action: 11/2/2018

Responsible Person(s): Richard Cabral, Director of Finance/Planning and Collections

FINDING REFERENCE: 2018-29-02

VALIDITY OF JBSIS DATA – DATA QUALITY

CRITERIA

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

Consistent with article VI, section 6 of the California Constitution and Government Code section 68505, the Judicial Branch Statistical Information System (JBSIS) is established by the Judicial Council to provide accurate, consistent, and timely information for the judicial branch, the Legislature, and other state agencies that require information from the courts to fulfill their mandates.

CONDITION

Our review of case file records for selected fiscal year 2016-17 cases that the Court reported to JBSIS as new case filings found that it reported some cases inconsistent with the JBSIS Manual data element definitions for the case type. Specifically, the Court classified three of the 10 Family Law—Child Support cases reviewed as “DA Family Support” even though their respective case file records did not have any of the documents required to support it classifying the cases under the “DA Family Support” classification. According to the JBSIS Manual data element definitions for the Family Law—Child Support case type, the Court should have classified these three case filings as “Other Family Law,” not “DA Family Support” cases. In addition, the Court reported one of the 10 Juvenile Dependency cases reviewed as a "subsequent filing" when it was an "original filing." According to the Court, it misclassified these cases because staff misunderstood the JBSIS Manual definitions related to these filings.

The Court also misreported two of the 10 Family Law—Domestic Violence cases reviewed. Specifically, the case file records for the two cases indicate they are “DA Family Support” cases, but the Court reported the cases to JBSIS as “DV Prevention with Minor Child” cases. According to its Database Analyst, a problem with the query used to report family law cases caused the misreporting. The analyst indicates having plans to correct the query to accurately report the Family Law cases going forward. As a result, the Court did not always report accurate case filings data to JBSIS during fiscal year 2016-17.

RECOMMENDATION

To ensure it reports JBSIS case filings data to the Judicial Council that are accurate and consistent with the rules established in the JBSIS Manual, the Court should monitor and periodically review the accuracy of its monthly case filings data. In addition, the Court should take steps to amend its JBSIS data, as necessary, when it identifies case filing errors. The Court should also consider taking steps, such as periodic staff training, to ensure its staff accurately code its case types, such as its “DA Family Support” and “Other Family Law” case types.

COURT’S VIEW AND CORRECTIVE ACTION PLAN

Agree

The Court makes every effort to ensure the accuracy of JBSIS reporting. The data reporting errors have been corrected and the Court will also adopt the recommendations.

Response provided on 11/2/2018 by: Richard Cabral, Director of Finance/Planning and Collections

Date of Corrective Action: 11/2/2018

Responsible Person(s): Richard Cabral, Director of Finance/Planning and Collections

OTHER AREAS

Background

We did not identify any other significant areas during the initial audit planning process that, based on our professional judgement, warranted any additional audit work. Therefore, we did not review compliance with any other areas.
