

The seal of the Judicial Council of California is a circular emblem. It features a central figure, likely a personification of Justice, holding a scale and a sword. The figure is surrounded by various symbols of law and order, including a book and a laurel wreath. The words "JUDICIAL COUNCIL OF CALIFORNIA" are inscribed around the perimeter of the seal. Below the central figure, the word "EUREKA" is written, and at the bottom, the year "1926" is visible.

Trial Court Budget: Encumbrances

Judicial Council Meeting

June 27, 2014

Background

- 1% fund balance cap
- AOC legal analysis regarding encumbrances
- Consultation with the Department of Finance
- TCBAC to develop a policy on encumbrances for Judicial Council consideration



Recommendations

- Valid contract executed by June 30. Cannot state delivery next year.
- Current fiscal year plus two subsequent fiscal years to liquidate
- At the end of contract, unused funds above the cap in the year it was encumbered will revert to the originating state fund
- Current year encumbrance cannot be increased after year is closed.



Recommendations

- Fund balance should not be used for ongoing expenses. Rare exceptions for structural changes.
- Cannot encumber contracts without defined deliverables or specific costs.
- Encumbrances cannot be for more than three years



End of Presentation



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