

The seal of the Judicial Council of California is faintly visible in the background. It features a central figure holding a scale of justice, surrounded by various symbols of law and order. The text "JUDICIAL COUNCIL OF CALIFORNIA" is written around the perimeter, with "EUREKA" at the top and "1926" at the bottom.

Trial Court Allocations: Cash Advance Process

Judicial Council Meeting

June 27, 2014

Background

- In order to address courts' cash flow issues, effective June 27, 2013, Government Code section 68502.6 authorizes an up-to-two-year loan to be made to the TCTF, not to exceed \$150 million, from three state funds: the State Court Facilities Construction Fund, the Immediate and Critical Needs Account, and the Judicial Branch Workers' Compensation Fund.
- Due to insufficient cash in the TCTF, in June 2014 used the loan authority to transfer \$17.4 million from the JBWCF to the TCTF in order to distribute courts' base allocation in June rather than July and August.

Background

- Approved eight requests for cash advances, totaling \$2.7 million, to address cash flow issues prior to the scheduled July 10, 2014 payroll distribution.
- Working with the Department of Finance and State Controller's Office to help manage cash flow to courts.
- AOC will be providing courts training on managing cash.



TCBAC

- At its June 3, 2014 meeting, the Trial Court Budget Advisory Committee unanimously adopted recommendations related to amending the cash advance application process for consideration by the council.



Recommendation

The TCBAC recommends that the Judicial Council amend the Application for Supplemental Funding Form instructions to:

- Encourage courts to submit cash advance requests 30 days prior to the date when the cash is needed.
- Require courts to complete up to two cash advance request templates, which Administrative Office of the Courts (AOC) Treasury Services unit staff will assist courts in completing, when requesting a cash advance.
- Change the number of business days that the director of the AOC Fiscal Services Office is required to render a decision from 5 days to 10 days.

End of Presentation



ADMINISTRATIVE OFFICE
OF THE COURTS