



JUDICIAL COUNCIL OF CALIFORNIA

ADVISORY COMMITTEE ON AUDITS AND
FINANCIAL ACCOUNTABILITY FOR THE
JUDICIAL BRANCH

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MINUTES OF OPEN MEETING WITH CLOSED SESSION

April 17, 2018

12:16pm – 12:49pm

Conference call, 1-877-820-7831

Advisory Body Members Present: Hon. David Rosenberg, Hon. Peter Siggins, Hon. Mary Ann O'Malley, Hon. Susan Matcham, Mr. Kevin Harrigan, Mr. Kevin Lane, Ms. Sherri Carter and Mr. Phil Jelichich

Advisory Body Members Absent: Ms. Tania Ugrin-Capobianco

Others Present: Mr. Grant Parks

OPEN MEETING

Call to Order and Roll Call

The chair called the meeting to order at 12:16pm, and took roll call.

Approval of Minutes

The advisory body reviewed and approved the minutes of the January 18, 2018, Advisory Committee on Audits and Financial Accountability for the Judicial Branch meeting.

Opening comments: Judge Rosenberg noted that committee members in the future might be reviewing audits of courts on which one of them may sit. For example, the State Controller's Office (SCO) is currently auditing Yolo Superior Court, so Judge Rosenberg has decided he would likely recuse himself when that audit is discussed to avoid any appearance of a potential conflict. Judge Rosenberg indicated that recusal decisions are ones that committee members will need to evaluate for themselves should an audit of their court come before the committee. Judge Rosenberg also noted the committee will soon have a heavy work load as various audits of different entities come up for discussion. Judge Rosenberg has some concern as to whether this committee is sufficiently staffed to handle all of the audits that will come before the committee for review and comment, while allowing the committee to be proactive in its role. Judge Rosenberg stated his belief that all committee members share this concern and there will be further discussion on that at some point in the future.

Judge Rosenberg asked Justice Siggins if he had any opening remarks. Justice Siggins indicated he had no opening comments.

Judge Rosenberg proceeded with asking members if they had an opportunity to review the prior meeting's minutes and whether there were any needed additions or deletions. Hearing no comments, Judge O'Malley offered a motion to approve the minutes, which Justice Siggins seconded. With no further discussion by committee members, the minutes of January 18, 2018 meeting were approved by unanimous voice vote of the committee members present.

Moving to the public portion of the meeting, Judge Rosenberg asked committee staff if any public comments had been received in advance of today's meeting. Mr. Parks replied that no written comments had been received and advised that the public was in *listen only* mode on the conference call.

DISCUSSION AND ACTION ITEMS (ITEM 1)

Info 1

Report from Audit Services (Information Only)

Mr. Parks provided an overview of the those audits performed by the Judicial Council's Office of Audit Services that are likely to come before the audit committee in May (3rd District of the Courts of Appeal) and in June (Solano, Colusa and Calaveras). Also in May, the Judicial Council's Office of Legal Services will present proposed updates to the Judicial Branch Contracting Manual (JBCM), given the audit committee's responsibility to review and approve proposed changes before forwarding them to the Judicial Council for formal adoption. Audit committee staff are working with staff from Legal Services to ensure audit committee members obtain the proposed changes to the JBCM well before May's meeting.

Mr. Parks also provided a brief overview of staffing levels within Audit Services, reporting that its two senior auditor positions have now been filled and the final two remaining vacancies are currently in recruitment and are expected to be filled in late-May / early-June.

Mr. Parks also provided information on the Court Innovations Grant (CIG) Program, which is a program that is included in the annual audit plan. Spending to date has been somewhat limited, so Audit Services has yet to identify specific courts and grants for audit. Audit Services will continue to monitor CIG program spending to determine when best to initiate audits of these grant awards.

Mr. Parks then moved to a discussion on external audits performed by non-judicial branch entities. Specifically, the SCO is completing its audit at Yolo Superior Court and has also been working at Sacramento and Amador superior courts. The remaining three courts (San Mateo, Tehama, and Solano) are expected to be completed sometime in July. On April 26th the State Auditor's office will issue its performance audit report on the State's "penalty assessment funds." No findings or recommendations directed at the Judicial Council are expected.

Finally, the Department of Child Support Services (DCSS) substantially completed three additional audits of the AB 1058 program (Colusa, Fresno, and Glenn), but has not finalized these reports.

Mr. Parks indicated he would share these audit reports with the committee once they are complete and DCSS indicates they can be shared publicly. The Judicial Council's executive management team are still attempting to reach an agreement with DCSS's executive management regarding previous audit findings and the related questioned costs.

Info 2

General Discussion by Members of the Committee (Information Only)

Judge Rosenberg asked if any member had items they wished to discuss. Hearing no requests to comment on any matter, Judge Rosenberg moved to the next agenda item which would be in closed session.

ADJOURNMENT

There being no further open meeting business, the meeting was adjourned to closed session at 12:29 p.m.

CLOSED SESSION

Item 1

Draft Audit Report of the Superior Court of California, County of Butte – Rule of Court 10.75(d) (6)

Non-final audit reports or proposed responses to such reports

Action: Committee unanimously approved the public posting of Audit Services' draft audit report of Butte Superior Court, per California Rules of Court, Rule 10.63(c) (1).

Item 2

Draft Committee Letter to the Court Executives Advisory Committee Regarding JBSIS Data Quality Standards – 10.75(d)(6)

Non-final audit reports or proposed responses to such reports

Action: In response to previous audit findings regarding JBSIS case filings data, the Committee unanimously approved the drafting of a letter to CEAC's JBSIS working group to encourage the development of additional data quality standards.

Adjourned closed session at 12:49 p.m.

Approved by the advisory body on May 23, 2018.