

SISKIYOU COUNTY

Audit Report

COURT REVENUES

July 1, 2003, through June 30, 2009



JOHN CHIANG
California State Controller

February 2012



JOHN CHIANG
California State Controller

February 8, 2012

Honorable Jennielee Ebejer
Auditor-Controller
Siskiyou County
311 Fourth Street, Room 101
Yreka, CA 96097

Larry Gobelman
Court Executive Officer
Siskiyou County
311 Fourth Street
Yreka, CA 96097

Dear Ms. Ebejer and Mr. Gobelman:

The State Controller's Office audited Siskiyou County's court revenues for the period of July 1, 2003, through June 30, 2009.

Our audit disclosed that the county underremitted a net of \$438,220 in court revenues to the State Treasurer because it:

- Underremitted the 50% excess of fines, fees, and penalties by \$520,899;
- Incorrectly distributed Traffic Violator School bail by \$77,833; and
- Overremitted the state domestic violence fund by \$4,846.

The County Auditor-Controller's Office should remit the balance of \$438,220 to the State Treasurer.

The county should differentiate the individual accounts making up this amount on the bottom portion of the monthly TC-31, Remittance to State Treasurer, in accordance with standard remittance procedures. The county should state on the remittance advice that the account adjustments relate to the SCO audit for the period of July 1, 2003, through June 30, 2009.

Please mail a copy of the TC-31 and documentation supporting the corresponding adjustment(s) to the attention of the following individuals:

Joe Vintze, Audit Manager
Division of Audits
State Controller's Office
Post Office Box 942850
Sacramento, CA 94250-5874

Cindy Giese, Collections Supervisor
Division of Accounting and Reporting
Bureau of Tax Administration
Post Office Box 942850
Sacramento, CA 94250

Once the county has paid the underremitted Trial Court Improvement Fund amounts, we will calculate a penalty on the underremitted amounts and bill the county accordingly, in accordance with Government Code sections 68085, 70353, and 70377.

If you have any questions, please contact Steven Mar, Chief, Local Government Audits Bureau, at (916) 324-7226.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

JVB/vb

cc: John Judnick, Senior Manager
Internal Audit Services
Judicial Council of California
Julie Nauman, Executive Officer
Victim Compensation and Government Claims Board
Greg Jolivette
Legislative Analyst's Office
Sandeep Singh, Fiscal Analyst
Division of Accounting and Reporting
State Controller's Office
Cindy Giese, Supervisor, Tax Programs Unit
Division of Accounting and Reporting
State Controller's Office

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Audit Report

Summary

The State Controller's Office (SCO) performed an audit to determine the propriety of court revenues remitted to the State of California by Siskiyou County for the period of July 1, 2003, through June 30, 2009.

Our audit disclosed that the county underremitted a net of \$438,220 in court revenues to the State Treasurer because it:

- Underremitted the 50% excess of fines, fees, and penalties by \$520,899;
- Incorrectly distributed Traffic Violator School bail by \$77,833; and
- Overremitted the state domestic violence fund by \$4,846.

Background

State statutes govern the distribution of court revenues, which include fines, penalties, assessments, fees, restitutions, bail forfeitures, and parking surcharges. Whenever the State is entitled to a portion of such money, the court is required by Government Code (GC) section 68101 to deposit the State's portion of court revenues with the county treasurer as soon as practical and to provide the county auditor with a monthly record of collections. This section further requires that the county auditor transmit the funds and a record of the money collected to the State Treasurer at least once a month.

GC section 68103 requires that the State Controller determine whether or not all court collections remitted to the State Treasurer are complete. GC section 68104 authorizes the State Controller to examine records maintained by any court. Furthermore, GC section 12410 provides the State Controller with general audit authority to ensure that state funds are properly safeguarded.

Objective, Scope, and Methodology

Our audit objective was to determine whether the county completely and accurately remitted court revenues in a timely manner to the State Treasurer for the period of July 1, 2003, through June 30, 2009. We did not review the timeliness of any remittances the county may be required to make under GC sections 70353, 77201.1(b)(1), and 77201(b)(2).

To meet our objective, we reviewed the revenue-processing systems within the county's Superior Court and Auditor-Controller's Office.

We performed the following procedures:

- Reviewed the accuracy of distribution reports prepared by the county, which show court revenue distributions to the State, the county, and the cities located within the county.

- Gained an understanding of the county's revenue collection and reporting processes by interviewing key personnel and reviewing documents supporting the transaction flow.
- Analyzed various revenue accounts reported in the county's monthly cash statements for unusual variations and omissions.
- Evaluated the accuracy of revenue distribution using as criteria various California codes and the SCO's Manual of Accounting and Audit Guidelines for Trial Courts.
- Tested for any incorrect distributions.
- Expanded any tests that revealed errors to determine the extent of any incorrect distributions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We did not audit the county's financial statements. We considered the county's internal controls only to the extent necessary to plan the audit. This report relates solely to our examination of court revenues remitted and payable to the State of California. Therefore, we do not express an opinion as to whether the county's court revenues, taken as a whole, are free from material misstatement.

Conclusion

Siskiyou County underremitted a net of \$438,220 in court revenues to the State Treasurer. The underremittances and overremittances are summarized in Schedule 1 and described in the Findings and Recommendations section.

Follow-Up on Prior Audit Findings

The county has satisfactorily resolved the findings noted in our prior audit report, issued June 2004.

Views of Responsible Officials

At an exit conference on May 14, 2010, we discussed the audit results with Jennielee Ebejer, Auditor-Controller, and Larry Gobelman, Court Executive Officer. The Auditor-Controller responded on November 23, 2011 (Attachment A) agreeing with the audit findings that pertain to the county's responsibilities. The Court Executive Officer responded on November 30, 2011 (Attachment B) agreeing with the findings noted in the draft audit report.

Restricted Use

This report is solely for the information and use of Siskiyou County, the Siskiyou County Courts, the Judicial Council of California, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JEFFREY V. BROWNFIELD
Chief, Division of Audits

February 8, 2012

**Schedule 1—
Summary of Audit Findings by Fiscal Year
July 1, 2003, through June 30, 2009**

Description	Code Section	Fiscal Year						Total	Reference ²
		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09		
Underremitted 50% excess of fines	GC §77205	\$ 1,545	\$ 115,082	\$ 115,398	\$ 119,554	\$ 142,409	\$ 26,911	\$ 520,899	Finding 1
Incorrect distribution of TVS DNA Penalty Assessment—State	GC §76104.6	—	(5,091)	(11,942)	(10,724)	(7,963)	(2,971)	(38,691)	Finding 2
New State DNA Penalty	GC §76104.7	—	—	—	(11,680)	(15,565)	(11,897)	(39,142)	Finding 2
DNA Penalty Assessment—County	GC §76104.6	—	—	—	—	—	—	—	Finding 2
Overremitted State Domestic Violence Fund	PC §1203.097	—	—	—	—	—	(4,846)	(4,846)	Finding 3
Net amount underpaid (overpaid) to the State Treasurer		<u>\$ 1,545</u>	<u>\$ 109,991</u>	<u>\$ 103,456</u>	<u>\$ 97,150</u>	<u>\$ 118,881</u>	<u>\$ 7,197</u>	<u>\$ 438,220</u>	

Legend: GC = Government Code; PC = Penal Code.

¹ The identification of State revenue account titles should be used to ensure proper recording when preparing the remittance advice (TC-31) to the State Treasurer.

² See the Findings and Recommendations section.

**Schedule 2—
Summary of Underremittances by Month
Trial Court Improvement Fund
July 1, 2003, through June 30, 2009**

Trial Court Improvement Fund – Combined

Month	Fiscal Year					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—	—
September	—	—	—	—	—	—
October	—	—	—	—	—	—
November	—	—	—	—	—	—
December	—	—	—	—	—	—
January	—	—	—	—	—	—
February	—	—	—	—	—	—
March	—	—	—	—	—	—
April	—	—	—	—	—	—
May	—	—	—	—	—	—
June	1,545	115,082	115,398	119,554	142,409	26,911
Total	\$ 1,545	\$ 115,082	\$ 115,398	\$ 119,554	\$ 142,409	\$ 26,911

Trial Court Improvement Fund – County

Month	Fiscal Year					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—	—
September	—	—	—	—	—	—
October	—	—	—	—	—	—
November	—	—	—	—	—	—
December	—	—	—	—	—	—
January	—	—	—	—	—	—
February	—	—	—	—	—	—
March	—	—	—	—	—	—
April	—	—	—	—	—	—
May	—	—	—	—	—	—
June	1,545	92,211	84,991	79,664	94,499	(8,671)
Total	\$ 1,545	\$ 92,211	\$ 84,991	\$ 79,664	\$ 94,499	\$ (8,671)

Schedule 2 (continued)

Trial Court Improvement Fund – Superior Court

Month	Fiscal Year					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—	—
September	—	—	—	—	—	—
October	—	—	—	—	—	—
November	—	—	—	—	—	—
December	—	—	—	—	—	—
January	—	—	—	—	—	—
February	—	—	—	—	—	—
March	—	—	—	—	—	—
April	—	—	—	—	—	—
May	—	—	—	—	—	—
June	—	22,871	30,407	39,890	47,910	35,582
Total	\$ —	\$ 22,871	\$ 30,407	\$ 39,890	\$ 47,910	\$ 35,582

Trial Court Improvement Fund – Maintenance-of-Effort (MOE)

Month	Fiscal Year					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—	—
September	—	—	—	—	—	—
October	—	—	—	—	—	—
November	—	—	—	—	—	—
December	—	—	—	—	—	—
January	—	—	—	—	—	—
February	—	—	—	—	—	—
March	—	—	—	—	—	—
April	—	—	—	—	—	—
May	—	—	—	—	—	—
June	1,545	115,082	115,398	119,554	142,409	26,911
Total	\$ 1,545	\$ 115,082	\$ 115,398	\$ 119,554	\$ 142,409	\$ 26,911

**Schedule 3—
Summary of Overremittances by Month
July 1, 2003, through June 30, 2009**

Month	Fiscal Year					
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
July	\$ —	\$ (424)	\$ (995)	\$ (1,867)	\$ (1,961)	\$ (1,643)
August	—	(424)	(995)	(1,867)	(1,961)	(1,643)
September	—	(424)	(995)	(1,867)	(1,961)	(1,643)
October	—	(424)	(995)	(1,867)	(1,961)	(1,643)
November	—	(424)	(995)	(1,867)	(1,961)	(1,643)
December	—	(424)	(995)	(1,867)	(1,961)	(1,643)
January	—	(424)	(995)	(1,867)	(1,961)	(1,643)
February	—	(424)	(995)	(1,867)	(1,961)	(1,643)
March	—	(424)	(995)	(1,867)	(1,961)	(1,643)
April	—	(424)	(995)	(1,867)	(1,961)	(1,643)
May	—	(424)	(995)	(1,867)	(1,961)	(1,643)
June	—	(427)	(997)	(1,867)	(1,957)	(1,641)
Total	\$ —	\$ (5,091)	\$ (11,942)	\$ (22,404)	\$ (23,528)	\$ (19,714)

Findings and Recommendations

FINDING 1— Underremitted 50% excess of qualified fines, fees, and penalties

The County Auditor-Controller's Office underremitted by \$520,899 the 50% excess of qualified fines, fees, and penalties to the State Treasurer for the six-fiscal-year (FY) period starting July 1, 2003, and ending June 30, 2009.

Government Code (GC) section 77201(b)(2) requires Siskiyou County, for its base revenue obligation, to remit \$615,581 for FY 1998-99 and each fiscal year thereafter. In addition, GC section 77205(a) requires the county to remit to the Trial Court Improvement Fund, 50% of qualified revenues that exceed the stated base for each fiscal year.

The error occurred because the county used incorrect entries in its maintenance-of-effort (MOE) distribution working papers, and as a result of conditions identified as follows:

- When preparing the MOE, the county did not include all qualified revenues for a proper calculation. A net total of \$939,898 in qualified revenues should have been included in the MOE calculation.
- When preparing the MOE, the county inappropriately included the county's portion of the proof-of-correction fees to the base fine amount. A net total of \$74,760 should not have been included in the MOE calculation.
- As stated in Finding 2, Siskiyou Superior Court did not properly distribute the Traffic Violation School (TVS) bail. The incorrect distribution caused an understatement of the county's TVS account by a net total of \$176,660, which should have been included in the MOE calculation.

The qualified revenues reported for FY 2003-04 were \$1,580,393. The excess, above the base of \$615,581, is \$964,812. This amount should be divided equally between the county and the State, resulting in \$482,406 excess due the State. The county has remitted a previous payment of \$480,861, causing an underremittance of \$1,545.

The qualified revenues reported for FY 2004-05 were \$1,520,563. The excess, above the base of \$615,581, is \$904,982. This amount should be divided equally between the county and the State, resulting in \$452,491 excess due the State. The county has remitted a previous payment of \$337,409, causing an underremittance of \$115,082.

The qualified revenues reported for FY 2005-06 were \$1,330,999. The excess, above the base of \$615,581, is \$715,418. This amount should be divided equally between the county and the State, resulting in \$357,709 excess due the State. The county has remitted a previous payment of \$242,311, causing an underremittance of \$115,398.

The qualified revenues reported for FY 2006-07 were \$1,280,314. The excess, above the base of \$615,581, is \$664,733. This amount should be divided equally between the county and the State, resulting in \$332,367 excess due the State. The county has remitted a previous payment of \$212,813, causing an underremittance of \$119,554.

The qualified revenues reported for FY 2007-08 were \$1,306,380. The excess, above the base of \$615,581, is \$690,799. This amount should be divided equally between the county and the State, resulting in \$345,399 excess due the State. The county has remitted a previous payment of \$202,990, causing an underremittance of \$142,409.

The qualified revenues reported for FY 2008-09 were \$1,235,728. The excess, above the base of \$615,581, is \$620,147. This amount should be divided equally between the county and State, resulting in \$310,074 excess due the State. The county has remitted a previous payment of \$283,163, causing an underremittance of \$26,911.

The underremittances had the following effect:

Account Title	Understated/ (Overstated)
Trial Court Improvement Fund–GC §77205:	
FY 2003-04	\$ 1,545
FY 2004-05	115,082
FY 2005-06	115,398
FY 2006-07	119,554
FY 2007-08	142,409
FY 2008-09	26,911

Recommendation

The county should remit \$520,899 to the State Treasurer and report on the remittance advice form (TC-31) an increase to the Trial Court Improvement Fund–GC section 77205. The county should also make the corresponding account adjustments.

**FINDING 2—
Inappropriate
distribution of traffic
violation school bail**

Siskiyou Superior Court did not properly distribute TVS bail from January 2005 through June 2009. The court overpaid the cities in Siskiyou County. It applied incorrect formulas to compute the city share of the base fine. Also, the court incorrectly distributed \$2 per every \$10 base fine to the DNA penalty assessment Funds. Both distribution errors caused the county TVS account to be understated. The errors occurred because the court’s accounting system has not been programmed properly to comply with the statutory requirements affecting the distribution of TVS bail.

Vehicle Code (VC) section 42007(3)(c) states that for fees resulting from city arrests, an amount equal to the amount of base fines that would have been deposited in the treasury of the appropriate city pursuant to paragraph (3) of subdivision (b) of section 1463.001 of the Penal Code (PC) shall be deposited in the treasury of the appropriate city.

The DNA Identification Penalty Assessment and DNA Additional Penalty Assessment are levied and collected in the same manner as the State Penalty imposed per PC section 1464. VC section 42007 does not specify a distribution exception for DNA penalties.

Failure to properly distribute TVS bail affected the revenues reported to the State Trial Court Improvement Fund under the MOE formula (see Finding 1). Additionally, the incorrect distribution had the following effect:

Account Title	Understated/ (Overstated)
State DNA Additional Penalty Assessment—GC §76104.7	\$ (39,142)
State DNA Identification Penalty Assessment—GC §76104.6	(38,691)
County DNA Identification Penalty Assessment—GC §76104.6	(39,447)
City of Mt. Shasta – Base Fine	(51,351)
City of Yreka – Base Fine	(45,507)
City of Weed – Base Fine	(7,498)
City of Dunsmuir – Base Fine	(4,545)
City of Dorris – Base Fine	(3,247)
County General Fund	229,428

Recommendation

The county should reduce subsequent remittances to the State Treasurer by \$77,833 and report on the remittance advice form (TC-31) the following: a decrease of \$39,142 to the State DNA Additional Penalty Assessment—GC section 76104.7 and a decrease of \$38,691 to the State DNA Identification Penalty Assessment—GC section 76104.6. The county also should implement other adjustments noted above to comply with statutory requirements for TVS bail distribution. The court should make redistribution for the period of July 2009 through the date on which the current system is revised.

**FINDING 3—
Overremitted State
domestic violence fees**

Siskiyou Superior Court incorrectly distributed the Domestic Violence Fee during the periods of January 2004 through June 2009. The State Domestic Violence fee was overstated by \$4,846. The error occurred because the court’s accounting system was incorrectly programmed to distribute Domestic Violence fees.

PC section 1203.097(a)(5) requires a \$400 minimum fee as a condition of probation on domestic violence cases. Two-thirds of the fee should go to the county Domestic Violence Fund. The remaining one-third should be split evenly between the state Domestic Violence Restraining Order Fund and the state Domestic Violence Training and Education Program.

The incorrect distribution had the following effect:

Account Title	Understated/ (Overstated)
State Domestic Violence Restraining Order Fund— PC §1203.097(a)	\$ (2,423)
State Domestic Violence Training and Education Program—PC §1203.097(a)	(2,423)
County Domestic Violence Fund	4,846

Recommendation

The county should reduce subsequent remittances to the State Treasurer by \$4,846 and report on the remittance advice form (TC-31) the following: a decrease of \$2,423 to the State Domestic Violence Restraining Order Fund – PC section 120.097 and a decrease of \$2,423 to the State Domestic Violence Training and Education Program.

**FINDING 4—
Incorrect distribution
of bail bond
forfeitures**

Siskiyou Superior Court’s formula for distributing revenues from bail bond forfeitures was incorrect for FY 2003-04 through FY 2008-09. The formula applied incorrect percentages to distribute forfeitures to county and city General Funds. The revenues, after deducting the allowable 2% automation fee, should have been distributed to the County General Fund for county arrests, and to the county and city accounts in accordance with the percentages established by the statute for all city arrests. The error occurred because the court’s accounting system was incorrectly programmed to distribute city arrest cases of Penal Code bail bond forfeitures.

PC section 1463.009 requires that the bail bond forfeitures be distributed pursuant to PC section 1463. PC section 1463.001(b)(1) further states that base fines that are subject to specific distribution shall be distributed to the specified funds of the State or local agency. Additionally, GC section 68090.8 requires that 2% be deducted from all fines, penalties, and forfeitures for automation purposes. The bail bond forfeitures are not subject to state and county penalty assessments.

Failure to make the appropriate distribution caused the county revenues to be overstated and city revenues to be understated. Measuring the dollar effect was neither material nor cost effective due to the small number of city arrest bail bond forfeiture cases.

Recommendation

The Siskiyou Superior Court should change its distribution formula to comply with the statutory requirements.

FINDING 5— Erroneous offset of 20% State surcharge in distribution of community service cases

Siskiyou Superior Court improperly applied the distribution priority to offset the 20% state surcharge account from the community service cases. Once the defendant chose to work in the community service program, the total bail amount should be reduced by an amount equal to the wages earned based on the number of qualified hours worked. The court's accounting system should apply the value of the hours worked to offset the 20% state surcharge first, and any remaining balance should be pro-rated between fines and penalties. However, the court's reimbursable costs could be collected in full. The error occurred because the court staff overlooked the additional procedure required to identify the community service program cases.

PC section 1209.5. states that any person convicted of an infraction may, upon a showing that payment of the total fine would pose a hardship on the defendant or his or her family, be sentenced to perform community service in lieu of the total fine that would otherwise be imposed. For purposes of this section, the term "total fine" means the base fine and all assessments, penalties, and additional moneys to be paid by the defendant. For purposes of this section, the hourly rate applicable to community service work by criminal defendants shall be determined by dividing the total fine by the number of hours of community service ordered by the court to be performed in lieu of the total fine.

Failure to properly offset the reduced total fine caused the incorrect statement of distributions to the State and county. We did not measure the dollar effect as it did not appear to be either material or cost effective due to the difficulty of identifying and redistributing the various accounts.

Recommendation

The Siskiyou Superior Court should take steps to ensure that the amount of total fine reduced by the community service work is offset from all base fines, penalties, and fees in accordance with the statutory requirements under PC section 1209.5.

**Attachment A—
County Auditor-Controller's Response
to Draft Audit Report**



County of Siskiyou
Jennie Ebejer, Auditor-Controller

311 Fourth Street, Room 101 • Yreka, California 96097 • Phone: 530.842.8030 • Fax: 530.842.8077

November 23, 2011

California State Controller
Attn: Steven Mar
P O Box 942850
Sacramento CA 94250-5874

Re: Court revenue audit July 1, 2003 – June 30, 2009

Dear Mr. Mar:

We have reviewed the draft audit for the above referenced court revenue audit. The County is in agreement with the audit findings that pertain to the counties responsibilities in remitting money to the State via the TC31 and/or the MOE 50/50 Split. However, we feel that the draft audit was not delivered to the County in a timely manner, and will reserve the right to negotiate penalties/interest on the referenced items.

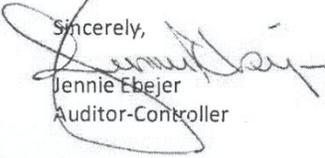
It appears that the county is primarily responsible for the bulk of the errors in Finding 1. We have rectified the matter and are remitting correctly for the years following fiscal year 2008/2009. We have the courts assurance that they have taken the appropriate steps to modify their system to be in compliance with the audit findings.

- a. PC 1463.001 – It appears that the Courts reported the fees/fines incorrectly to the County which resulted in the county reporting incorrectly to the State. Depending on the outcome of the penalties/interest, we feel these costs should be assessed to the Courts.
- b. PC 1463.07 – The County remitted the money to the State in error. This results in a credit to the County.
- c. PC 1464(a) – This was a calculation error on the County's part. We miscalculated the percentage that should be applied to the portion remitted to the State.
- d. VC 42007 – Court did not properly distribute TVS, resulting in the County understating the amount collected. Depending on the outcome of the penalties/interest, we feel these costs should be assessed to the Courts.

As for Finding 2, we will adjust the TC31 for the State DNA portion, and will obtain the credits back from the affected cities. Finding 3 will be adjusted on the TC31. Finding 4 and Finding 5 appear to be Court related issues, therefore, the county takes no position on these two issues.

If you have any questions regarding our response, please feel free to contact me directly. Thank you.

Sincerely,


Jennie Ebejer
Auditor-Controller

**Attachment B—
Court’s Response to
Draft Audit Report**



Superior Court of California
County of Siskiyou

P.O. Box 1026
Yreka, California 96097

Larry Gobelman, Court Executive Officer

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November 30, 2011

California State Controller
Attn: Steven Mar
P O Box 942850
Sacramento CA 94250-5874

Re: Court revenue audit July 1, 2003 – June 30, 2009

Dear Mr. Mar:

We have reviewed the draft audit for the above referenced court revenue audit. The Court is in agreement with the findings in this draft. However, it has come to our attention that Siskiyou County has indicated it believes that the court incorrectly reported PC 1463.001 fees/fines to the County causing it to incorrectly distribute these funds to the cities. We disagree with this interpretation for the following reasons:

1. The PC 1463.001 account is clearly labeled as a County Revenue Account (see Attachment 1) as opposed to a city account.
2. PC 1463.001 (3) states that "base fines from county arrests not included in paragraph (1) shall be transferred into the proper funds of the county," which was clearly designated by the court.
3. Funds distributed to the city are also clearly designated as such (see Attachment 2).
4. Once the court reports revenue to the county, we are not responsible for the distribution of the funds, nor are we provided copies of the County distribution.
5. Even if the court had made an error on the PC 1463.001, the proper remedy for the County would be to recoup funds improperly distributed to the cities.

We also wish to inform you of the following:

1. The court's incorrect reporting of VC 42007 TVS fees/fines was corrected effective March 1, 2009.
2. In addition, we have implemented a new financial code for the Domestic Violence fee effective April 12, 2010.
3. On October 1, 2010, we implemented new financial codes for VC 23152 and VC 23103.5 to allow the court to recoup the twenty percent surcharge when defendants request community work service.

Thank you for the opportunity to respond to this issue. Please feel free to call me if you have any questions

Sincerely,

Larry Gobelman
Court Executive Officer

CC: Jennie Ebejer

Count	Total Paid	Distribute	Total Trust
181	7,240.00	7,240.00	.00
15	300.00	300.00	.00
13	140.00	140.00	.00
112	2,750.00	2,750.00	.00
194	1,633.32	1,633.32	.00
1	180.00	180.00	.00
31	620.00	620.00	.00
2,207	271,430.95	271,430.95	.00
18	2,500.00	2,500.00	.00
5	100.00	100.00	.00
3	60.00	60.00	.00
2	400.00	400.00	.00
13	24.93	24.93	.00
21,739	597,851.39	597,851.39	.00
4,815	19,308.83	19,308.83	.00
3	17,110.80	17,110.80	.00
99	321.85	321.85	.00
3	11.00	11.00	.00

Attachment # /

Count	Total Paid					Distribute	Total Trust
14	86.69	COUNTY HS11502	1001-201010-522000/HS11502		86.69		.00
17,087	160,349.88	COUNTY 1463	1001-201010-522000CI		160,349.88		.00
2,451	13,824.31	COUNTY POC VC40611	1001-201010-522000POC		13,824.31		.00
39,428	287,545.31	COUNTY 1464	1001-201010-522100		287,545.31		.00
121	6,398.74	CIVIL ASSESSMENT	1001-201010-522100 CIV ASSESS		6,398.74		.00
35,315	69,765.80	DNA CNTY GC76104.6	1001-201010-522100 DNA		69,765.80		.00
2	8.74	MISCELLANEOUS FEES	1001-201010-522100 MF		8.74		.00
6	7.83	COUNTY PENALTY FUND	1001-201010-522100 PF		7.83		.00
16	22.60	SAFETY SEAT PROGRAM	1001-201010-522100 SEAT		22.60		.00
5,104	25,291.82	853.7 PC/40508.8 VC	1001-201010-522100 WAR		25,291.82		.00
5,566	8,102.75	RRST. 10% ADMIN FEE	1001-201010-522100 10%		8,102.75		.00
267	4,858.59	CHILD RESTRAINT-COUN	1001-201010-522100 25%		4,858.59		.00
1,172	5,913.07	CRIME LAB HS11372.5	1001-201010-522100CLAB		5,913.07		.00
3,516	356,508.33	COUNTY TS	1001-201010-522100CTS		356,508.33		.00
50	498.37	COUNTY GENERAL FUND	1001-201010-522100DOG CI		498.37		.00
34	260.98	COUNTY GENERAL FUND	1001-201010-522100GPF		260.98		.00
6,404	32,733.39	INSTALLMENT FEE	1001-201010-522100INST		32,733.39		.00
3,538	81,574.74	TS FEE	1001-201010-522100TSP		81,574.74		.00

#1

Count	Total Paid					Distribute	Total Trust
7	16.27	CITY OF DORRIS	772700-214031	27360 15%		16.27	.00
7	27.13	CITY OF DORRIS	772700-214031	27360 25%		27.13	.00
7	65.15	CITY OF DORRIS	772700-214031	27360 60%		65.15	.00
45	614.51	CITY OF DORRIS	772700-214031BK			614.51	.00
19	38.25	CITY OF DORRIS	772700-214031POC			38.25	.00
637	6,194.34	CITY OF DUNSMUIR	772700-214032			6,194.34	.00
3	2.15	CITY OF DUNSMUIR	772700-214032	27360 15%		2.15	.00
3	3.59	CITY OF DUNSMUIR	772700-214032	27360 25%		3.59	.00
3	8.63	CITY OF DUNSMUIR	772700-214032	27360 60%		8.63	.00
6	7.27	CITY OF DUNSMUIR	772700-214032/HSL1502			7.27	.00
107	1,055.78	CITY OF DUNSMUIR	772700-214032BK			1,055.78	.00
24	39.68	CITY OF DUNSMUIR	772700-214032POC			39.68	.00
208	2,229.34	CITY OF ETNA	772700-214033			2,229.34	.00
26	425.35	CITY OF ETNA	772700-214033BK			425.35	.00
10	132.66	CITY OF ETNA	772700-214033POC			132.66	.00
22	137.50	RABIES ERAD ETNA	772700-214033RE			137.50	.00
302	2,265.63	CITY FT JONES	772700-214034			2,265.63	.00
2	187.38	CITY OF FT JONES	772700-214034 RED			187.38	.00

Account #2

TRANSACTION REPORT

NOV/30/2011/WED 04:46 PM

FAX (TX)

#	DATE	START T.	RECEIVER	COM. TIME	PAGE	TYPE/NOTE	FILE
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Superior Court of California
County of Siskiyou

P.O. Box 1026
Yreka, California 96097

Larry Gobelma, Court Executive Officer

(530) 842-8218 Telephone
(530) 842-8339 Fax
lgobelma@siskiyou.courts.ca.gov

November 30, 2011

California State Controller
Attn: Steven Mar
P O Box 942850
Sacramento CA 94250-5874

Re: Court revenue audit July 1, 2003 – June 30, 2009

Dear Mr. Mar:

We have reviewed the draft audit for the above referenced court revenue audit. The Court is in agreement with the findings in this draft. However, it has come to our attention that Siskiyou County has indicated it believes that the court incorrectly reported PC 1463.001 fees/fines to the County causing it to incorrectly distribute these funds to the cities.

We disagree with this interpretation for the following reasons:

1. The PC 1463.001 account is clearly labeled as a County Revenue Account (see Attachment 1) as opposed to a city account.
2. PC 1463.001 (3) states that "base fines from county arrests not included in paragraph (1) shall be transferred into the proper funds of the county," which was clearly designated by the court.
3. Funds distributed to the city are also clearly designated as such (see Attachment 2).
4. Once the court reports revenue to the county, we are not responsible for the distribution of the funds, nor are we provided copies of the County distribution.
5. Even if the court had made an error on the PC 1463.001, the proper remedy for the County would be to recoup funds improperly distributed to the cities.

We also wish to inform you of the following:

1. The court's incorrect reporting of VC 42007 TVS fees/fines was corrected effective March 1, 2009.
2. In addition, we have implemented a new financial code for the Domestic Violence fee effective April 12, 2010.
3. On October 1, 2010, we implemented new financial codes for VC 23152 and VC 23103.5 to allow the court to recoup the twenty percent surcharge when defendants request community work service.

Thank you for the opportunity to respond to this issue. Please feel free to call me if you have any questions

Sincerely,

Larry Gobelma

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250-5874**

<http://www.sco.ca.gov>