

SAN JOAQUIN COUNTY

Audit Report

COURT REVENUES

July 1, 2006, through June 30, 2012



JOHN CHIANG
California State Controller

April 2014



JOHN CHIANG
California State Controller

April 29, 2014

Jay Wilverding
Auditor-Controller
San Joaquin County
44 North San Joaquin Street, Suite 550
Stockton, CA 95202

Rosa Junqueiro
Court Executive Officer
San Joaquin County Superior Court
222 E. Weber Avenue, Room 303
Stockton, CA 95202

Dear Mr. Wilverding and Ms. Junqueiro:

The State Controller's Office audited San Joaquin County's court revenues for the period of July 1, 2006, through June 30, 2012.

Our audit found that the county underremitted \$179,375 in court revenues to the State Treasurer because it:

- Underremitted the 50% excess of qualified fines, fees, and penalties by \$402,720;
- Underremitted State revenues by \$93,447;
- Inappropriately distributed Traffic Violator School fees by \$(776,172);
- Inappropriately distributed red-light violation bail by \$(119,914);
- Inappropriately distributed bail bond forfeitures by \$326,166; and
- Inappropriately distributed parking fees by \$253,128.

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, 2006, through June 30, 2012.

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

Jerry Zhou, 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 94250-5872

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

If you have any questions, please contact Elizabeth González, Chief, Local Government Compliance Bureau, at (916) 324-0622.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/mh

cc: Bob Elliott, Chairman
San Joaquin County Board of Supervisors
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 San Joaquin County for the period of July 1, 2006, through June 30, 2012.

Our audit disclosed that the county underremitted \$179,375 in court revenues to the State Treasurer because it:

- Underremitted the 50% excess of qualified fines, fees, and penalties by \$402,720;
- Underremitted State revenues by \$93,447;
- Inappropriately distributed Traffic Violator School cases by \$(776,172);
- Inappropriately distributed red-light violation cases by \$(119,914);
- Inappropriately distributed bail bond forfeitures by \$326,166; and
- Inappropriately distributed parking fees by \$253,128.

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 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 SCO 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 SCO 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, 2006, through June 30, 2012. 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, Probation Department, and Auditor-Controller's Office.

We performed the following procedures:

- Reviewed the accuracy of distribution reports prepared by the county that 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

San Joaquin County underremitted \$179,375 in court revenues to the State Treasurer. The underremittances are summarized in Schedule 1 and described in the Findings and Recommendations section of this report.

Follow-Up on Prior Audit Findings

The county has satisfactorily resolved the findings noted in our prior audit report, issued June 2007.

Views of Responsible Officials

We issued a draft audit report on December 10, 2013. Rosa Junqueiro, Court Executive Officer responded by letter dated December 23, 2013 (Attachment A), agreeing with audit Findings 5 and 6. However, Ms. Junqueiro did not respond to Findings 1 through 4. Jay Wilverding, San Joaquin County Auditor-Controller, responded by email on March 7, 2014, agreeing with the audit results.

Restricted Use

This report is solely for the information and use of San Joaquin County, the San Joaquin 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, CPA
Chief, Division of Audits

April 29, 2014

Findings and Recommendations

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

San Joaquin County underremitted by \$402,720 the 50% excess of qualified fines, fees, and penalties to the State Treasurer for the six-fiscal-year period starting July 1, 2006, and ending June 30, 2012.

Government Code (GC) section 77201(b)(2) requires San Joaquin County, for its base revenue obligation, to remit \$3,694,810 for fiscal year (FY) 1998-1999 and each fiscal year thereafter. In addition, GC section 77205(a) requires the county to remit to the State Trial Court Improvement Fund the 50% of the qualified revenues that exceed the stated base for each fiscal year.

The underremittances occurred due to the fiscal impact of conditions identified in this report's findings as follows:

- As stated in Finding 3, the San Joaquin Superior Court did not properly distribute the Traffic Violator School (TVS) cases. This inappropriate distribution caused an understatement of county TVS revenues in the amount of \$902,030, which should have been included in the Maintenance of effort (MOE) calculation.
- As stated in Finding 6, the San Joaquin Superior Court did not properly distribute parking fees. This inappropriate distribution caused overstatements of county General Fund revenues in the amount of \$96,589, which the county should not have included in their MOE calculation.

The adjusted qualified revenues reported for FY 2006-07 were \$6,057,618. The excess, above the base of \$3,694,810, is \$2,362,808. This amount should be divided equally between the county and State, resulting in \$1,181,404 excess due the State. The county has remitted a previous payment of \$1,107,048, causing an underremittance of \$74,356.

The adjusted qualified revenues reported for FY 2007-08 were \$5,410,491. The excess, above the base of \$3,694,810, is \$1,715,681. This amount should be divided equally between the county and State, resulting in \$857,841 excess due the State. The county has remitted a previous payment of \$777,591, causing an underremittance of \$80,250.

The adjusted qualified revenues reported for FY 2008-09 were \$5,711,625. The excess, above the base of \$3,694,810 is \$2,016,815. This amount should be divided equally between the county and State, resulting in \$1,008,408 excess due the State. The county has remitted a previous payment of \$928,862, causing an underremittance of \$79,546.

The adjusted qualified revenues reported for FY 2009-10 were \$5,263,708. The excess, above the base of \$3,694,810, is \$1,568,898. This amount should be divided equally between the county and State, resulting in \$784,449 excess due the State. The county has remitted a previous payment of \$722,878, causing an underremittance of \$61,571.

The adjusted qualified revenues reported for FY 2010-11 were \$5,369,989. The excess, above the base of \$3,694,810, is \$1,675,179. This amount should be divided equally between the county and State, resulting in \$837,589 excess due the State. The county has remitted a previous payment of \$765,088, causing an underremittance of \$72,501.

The adjusted qualified revenues reported for FY 2011-12 were \$4,489,012. The excess, above the base of \$3,694,810, is \$794,202. This amount should be divided equally between the county and State, resulting in \$397,101 excess due the State. The county has remitted a previous payment of \$362,605, causing an underremittance of \$34,496.

The underremittances had the following effect:

Account Title	Underremitted/ (Overremitted)
State Trial Court Improvement Fund – GC section 77205	
FY 2006-07	\$ 74,356
FY 2007-08	80,250
FY 2008-09	79,546
FY 2009-10	61,571
FY 2010-11	72,501
FY 2011-12	34,496
County General Fund	(402,720)

Recommendation

The county should remit \$402,720 to the State Treasurer and report on the remittance advice form (TC-31) an increase to the State Trial Court Improvement Fund-GC section 77205. The county also should make the corresponding account adjustments.

County Auditor-Controller's Response

The Auditor-Controller agreed with Finding 1.

Superior Court's Response

The Superior Court did not respond to this finding.

SCO's Comment

The finding remains as stated.

**FINDING 2—
Underremitted State
revenues**

The county did not properly remit to the State revenues from July 2006 through June 2007. The county’s documents showed a discrepancy between the county’s accounting records and the remittance advice forms (TC-31) reported to the State. The underremittances occurred because of the lack of adjusting journal entry records.

Account Title	Underremitted/ (Overremitted)
State 20% Surcharge–Penal Code (PC) §1465.7	\$ 44,716
State Penalty Fund–PC §1464	4,852
State Courthouse Construction Penalty–GC §70372(a)	45,119
State Trial Court Trust Fund – Civil Assessment–GC §68085.7(a) and (b)	(1,240)
County General Fund	(93,447)

Government Code section 68101 requires the county auditor to remit to the State, at least once a month, any portion of any money, forfeited bail, or fines to which the State is entitled.

Recommendation

The county should remit \$93,447 to the State Treasurer and report on the remittance advice form (TC-31) the following: an increase of \$44,716 to the State 20% Surcharge–PC section 1465.7, an increase of \$4,852 to the State Penalty Fund–PC section 1464, an increase of \$45,119 to the State Courthouse Construction Penalty–GC section 70372(a), and a decrease of \$1,240 to the State Trial Court Trust Fund–Civil Assessment–GC section 68085.7(a) and (b).

County Auditor-Controller’s Response

The Auditor-Controller agreed with Finding 2.

Superior Court’s Response

The Superior Court did not respond to this finding.

SCO’s Comment

The finding remains as stated.

**FINDING 3—
Inappropriate
distribution of Traffic
Violator School cases**

The San Joaquin Superior Court did not properly distribute TVS cases from July 2006 through June 2012. The DNA penalties should not be distributed from the TVS bail. 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 cases.

The inappropriate distributions for TVS cases affected the revenues reported to the State Trial Court Improvement Fund under the MOE formula pursuant to GC section 77205. Additionally, the inappropriate distributions had the following effect:

Account Title	Underremitted / (Overremitted)
State Penalty DNA Fund–GC §76104.7	\$ (580,817)
State Penalty DNA Fund–GC §76104.6	(195,355)
County DNA Fund	(395,296)
County TVS Fund	1,171,468

Failure to properly distribute TVS bail affected the revenues reported to the State Trial Court Improvement Fund under the MOE formula (see Finding 1) by a net total of \$902,030.

Per Proposition 69, SCO Distribution Guidelines, DNA Identification Penalty Assessment–GC section 76104.6, is part of the total TVS fee.

Per Judicial Council Bail and Penalty Schedule, Section IV – Total Bail, bulleted item E, both DNA penalties (GC section 76104.6 and GC section 76104.7) are included as a part of the “Total Bail.”

Recommendation

The county should reduce subsequent remittances to the State Treasurer by \$776,172 and report on the remittance advice form (TC-31) the following: a decrease of \$580,817 to the State Penalty DNA Fund–GC section 76104.7, and a decrease of \$195,355 to the State Penalty DNA Fund–GC section 76104.6. The county should revise its distribution formula to comply with statutory requirements for TVS bail distribution. The county also should make redistributions for the period of July 2012 through the date on which the current system is revised.

County Auditor-Controller’s Response

The Auditor-Controller agreed with Finding 3.

Superior Court’s Response

The Superior Court did not respond to this finding.

SCO’s Comment

The finding remains as stated.

**FINDING 4—
Inappropriate
distribution of red-
light violation cases**

The Court did not properly distribute the red-light violation bail. The ICNA State Court Facilities Construction Fund and Emergency Medical Air Transportation (EMAT) ACT Fund should have been deducted by 30% to the issuing agencies. The error occurred because the required distribution was inadvertently overlooked.

The inappropriate distributions for red-light cases had the following effect:

Account Title	Underremitted/ (Overremitted)
ICNA State Court Facilities Construction Fund–GC§70372(a)	\$ (113,869)
Emergency Medical Air Transportation ACT Fund–GC§760000.10	(6,045)
San Joaquin County	8,811
Stockton	99,818
Lodi	3,698
Lathrop	2,714
Tracy	2,640
Manteca	1,663
Ripon	228
SUSD	121
Escalon	112
University of Pacific	109

Penal Code section 1463.11 stipulates that the “first 30% of the moneys collected and deposited with the county for distribution pursuant to PC 1463 are to be distributed to the general fund of the city or county in which the offense occurred.” That is 30% of the base fine, the state penalty, the county penalty, the EMAT penalty, and the State Courthouse Construction Penalty.

Recommendation

The county should reduce subsequent remittances to the State Treasurer by \$119,914 and report on the remittance advice form (TC-31) the following: a decrease of \$113,869 to the ICNA State Court Facilities Construction Fund–GC §703372(a), and a decrease of \$6,045 to the Emergency Medical Air Transportation ACT Fund–GC §760000.10. The county should implement adjustments noted above to comply with statutory requirements for red-light cases. The county also should make redistributions for the period of July 2012 through the date on which the current system is revised.

County Auditor-Controller’s Response

The Auditor-Controller agreed with Finding 4.

Superior Court’s Response

The Superior Court did not respond to this finding.

SCO’s Comment

The finding remains as stated.

**FINDING 5—
Inappropriate
distribution of bail
bond forfeitures**

The Court inappropriately distributed bail bond forfeitures in FY 2006-07 through FY 2011-12. The revenues from Health and Safety bail bonds, after deducting the allowable 2% automation fee, should have been applied to a special distribution under Health and Safety (H&S) Code section 11502. The revenues from Penal Code (PC) bail bonds after deducting the allowable 2% automation fee should have been distributed according to PC section 1463.002. The error occurred because the system was not properly programmed to distribute the bail bond forfeitures.

The incorrect distribution had the following effect:

Account Title	Underremitted / (Overremitted)
State General Fund	\$ 326,166
County General Fund	185,274
City of Tracy	(298,449)
City of Stockton	(151,700)
City of Lodi	(58,000)
City of Manteca	(3,291)

Per PC section 1463.001, base fines resulting from a city arrest are split between the county and the city. The county receives an amount equal to the percentage listed in PC 1463.002. As stated in PC section 1463(1), “total fine or forfeiture” for purposes of distribution under PC section 1463.001 includes “the total amount of bail forfeited or deposited as cash bail subject to forfeiture.”

H&S Code section 11502 requires that controlled substance revenue be distributed in this manner: 75% to the State General Fund and 25% to the county or city, depending on whether the arrest took place in the county or city.

Recommendation

The county should remit \$326,166 to the State Treasurer and report on the remittance advice form (TC-31) an increase of \$326,166 to the State General Fund – H&S Code section 11502. The Court should implement adjustments noted above to comply with statutory requirements for bail bond forfeitures. The Court should also make redistributions for the period of July 2012 through the date on which the current system is revised.

County Auditor-Controller’s Response

The Auditor-Controller agreed with Finding 5.

Superior Court’s Response

The Superior Court agreed with Finding 5.

SCO’s Comment

The finding remains as stated.

**FINDING 6—
Inappropriate
distributions of
parking fees**

The Court did not appropriately distribute parking fees. The State surcharges were not distributed. The error occurred because the Court’s system was not updated to properly distribute the parking fees.

Failure to properly distribute the surcharges affected the revenues reported to the State. The inappropriate distributions had the following effect:

Account Title	Underremitted/ (Overremitted)
State Court Facilities Construction Fund–Parking–GC §70372(b)	\$ 67,794
ICNA State Court Facilities Construction Fund–Parking–GC §70372(b)	135,585
State Trial Court Trust Fund–Parking–GC §76000.3	49,749
County General Fund	(253,128)

Failure to properly distribute parking fees also affected the revenues reported to the State Trial Court Improvement Fund under the MOE formula (see Finding 1) by a net total of \$96,589.

Vehicle Code section 40200.3 provides that parking fines of the issuing agencies are deposited with the jurisdiction except for sums payable pursuant to GC sections 76000, 76000.3, and 70372(b).

The state parking penalty is remitted to the State pursuant to GC section 68085.

Recommendation

The county should remit \$253,128 to the State Treasurer and report on the remittance advice form (TC-31) an increase of \$67,794 to the State Courthouse Construction Penalty, an increase of \$135,585 to the ICNA State Courthouse Construction Penalty, and an increase of \$49,749 to the State Trial Court Trust Fund–Parking. The Court should implement adjustments noted above to comply with statutory requirements for parking fees. The Court should also make redistributions for the period of July 2012 through the date on which the current system is revised.

County Auditor-Controller’s Response

The Auditor-Controller agreed with Finding 6.

Superior Court’s Response

The Superior Court agreed with Finding 6.

SCO’s Comment

The finding remains as stated.

**Schedule 1—
Summary of Audit Findings by Fiscal Year
July 1, 2006, through June 30, 2012**

Description of Finding <u>Account Title¹–Code Section</u>	Fiscal Year						Total	Reference ²
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12		
<u>County</u>								
<u>Underremitted 50% excess of fines, fees, and Penalties</u>								
Trial Court Improvement Fund–GC§77205	\$ 74,356	\$ 80,250	\$ 79,546	\$ 61,571	\$ 72,501	\$ 34,496	\$ 402,720	Finding 1
<u>County</u>								
<u>Underremitted State Revenues</u>								
State 20% Surcharge–PC§1465.7	44,716	—	—	—	—	—	44,716	Finding 2
State Penalty Fund–PC§1464	4,852	—	—	—	—	—	4,852	Finding 2
State Court Facilities Construction Fund–GC§70372(a)	45,119	—	—	—	—	—	45,119	Finding 2
Trial Court Trust Fund–GC§68085.7(a)&(b)	(1,240)	—	—	—	—	—	(1,240)	Finding 2
<u>Court</u>								
<u>TVS Cases</u>								
State DNA Penalty Fund–GC§76104.7	(91,650)	(104,221)	(109,848)	(101,550)	(103,567)	(69,981)	(580,817)	Finding 3
State DNA Penalty Fund–GC§76104.6	(60,835)	(38,283)	(27,462)	(25,388)	(25,892)	(17,495)	(195,355)	Finding 3
<u>Court</u>								
<u>Red Light Violation Cases</u>								
State Court Facilities Construction Fund - ICNA–GC§703372(a)	(18,270)	(32,647)	(31,111)	(31,841)	—	—	(113,869)	Finding 4
Emergency Medical Air Transportation Penalty–GC§76000.10	—	—	(2,126)	(3,919)	—	—	(6,045)	Finding 4
<u>Court</u>								
<u>Bail Bond Forfeitures</u>								
State General Fund–H&S§11502	65,000	26,250	—	45,000	158,076	31,840	326,166	Finding 5

Schedule 1—(continued)

Description of Finding Account Title ¹ —Code Section	Fiscal Year						Total	Reference ²
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12		
Parking Surcharges								
State Court Facilities Construction Fund Parking—GC§70372(b)	—	—	8,186	27,007	13,598	19,003	67,794	Finding 6
ICNA State Court Facilities Construction Fund—Parking— GC§70372(b)	—	—	16,371	54,013	27,195	38,006	135,585	Finding 6
Trial Court Trust Fund—Parking—GC§76000.3	—	—	—	—	11,743	38,006	49,749	Finding 6
Total	\$ 62,048	\$ (68,651)	\$ (66,444)	\$ 24,893	\$ 153,654	\$ 73,875	\$ 179,375	

Legend: GC = Government Code; H&SC = Health and Safety Code; PC = Penal Code; VC = Vehicle Code

¹ The identification of State revenue account titles should be used to ensure proper recording when preparing the Remittance Advice Form TC-31 to the State Treasurer.

² See the Findings and Recommendations section.

**Schedule 2—
Summary of Underremittances by Month
Trial Court Trust Fund
July 1, 2006, through June 30, 2012**

<u>Month</u>	<u>Fiscal Year</u>		
	<u>2006-07</u>	<u>2010-11</u>	<u>2011-12</u>
July	\$ —	\$ —	\$ 3,167
August	—	—	3,167
September	—	—	3,167
October	—	—	3,167
November	—	—	3,167
December	—	—	3,167
January	—	1,957	3,167
February	—	1,957	3,167
March	—	1,957	3,167
April	—	1,957	3,167
May	—	1,957	3,167
June	(1,240)	1,958	3,169
Total underremittances to the State Treasurer	<u>\$ (1,240)</u>	<u>\$ 11,743</u>	<u>\$ 38,006</u>

NOTE: Delinquent Trial Court Trust Fund remittances not remitted to the SCO within 45 days of the end of the month in which the fees were collected are subject to penalty, pursuant to Government Code section 68085(h). The SCO will calculate and bill the county for the penalty after the county pays the underlying amount owed.

**Schedule 3—
Summary of Underremittances by Month
Trial Court Improvement Fund
July 1, 2006, through June 30, 2012**

Month	Fiscal Year					
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
July	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
August	—	—	—	—	—	—
September	—	—	—	—	—	—
October	—	—	—	—	—	—
November	—	—	—	—	—	—
December	—	—	—	—	—	—
January	—	—	—	—	—	—
February	—	—	—	—	—	—
March	—	—	—	—	—	—
April	—	—	—	—	—	—
May	—	—	—	—	—	—
June ¹	<u>74,356</u>	<u>80,250</u>	<u>79,546</u>	<u>61,571</u>	<u>72,501</u>	<u>34,496</u>
Total underremittances to the State Treasurer	<u>\$ 74,356</u>	<u>\$ 80,250</u>	<u>\$ 79,546</u>	<u>\$ 61,571</u>	<u>\$ 72,501</u>	<u>\$ 34,496</u>

NOTE: Delinquent Trial Court Improvement Fund remittances not remitted to the SCO within 45 days of the end of the month in which the fees were collected are subject to penalty, pursuant to Government Code section 68085(h). The SCO will calculate and bill the county for the penalty amount after the county pays the underlying amount owed.

¹ Includes maintenance-of-effort underremittances (Finding 1) as follows.

**Schedule 4—
Summary of Underremittances by Month
State Court Facilities Construction Fund
July 1, 2006, through June 30, 2012**

Month	Fiscal Year					
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
July	\$ 2,237	\$ (2,721)	\$ (546)	\$ 4,098	\$ 3,399	\$ 4,751
August	2,237	(2,721)	(546)	4,098	3,399	4,751
September	2,237	(2,721)	(546)	4,098	3,399	4,751
October	2,237	(2,721)	(546)	4,098	3,399	4,751
November	2,237	(2,721)	(546)	4,098	3,399	4,751
December	2,237	(2,721)	(546)	4,098	3,399	4,751
January	2,237	(2,721)	(546)	4,098	3,399	4,751
February	2,237	(2,721)	(546)	4,098	3,399	4,751
March	2,237	(2,721)	(546)	4,098	3,399	4,751
April	2,237	(2,721)	(546)	4,098	3,399	4,751
May	2,237	(2,721)	(546)	4,098	3,399	4,751
June	2,241	(2,716)	(548)	4,101	3,404	4,748
Total underremittances to the State Treasurer	<u>\$ 26,848</u>	<u>\$ (32,647)</u>	<u>\$ (6,554)</u>	<u>\$ 49,179</u>	<u>\$ 40,793</u>	<u>\$ 57,009</u>

NOTE: Delinquent State Court Facilities Construction Fund remittances not remitted to the SCO within 45 days of the end of the month in which the fees were collected are subject to penalty, pursuant to Government Code section 70377. The SCO will calculate and bill the county for the penalty amount after the county pays the underlying amount owed.

**Schedule 5—
Summary of Overremittances by Month
July 1, 2006, through June 30, 2012**

Month	Fiscal Year					
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
July	\$ (14,333)	\$ (14,596)	\$ (14,212)	\$ (13,558)	\$ (10,788)	\$ (7,290)
August	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
September	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
October	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
November	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
December	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
January	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
February	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
March	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
April	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
May	(14,333)	(14,596)	(14,212)	(13,558)	(10,788)	(7,290)
June	(14,332)	(14,595)	(14,215)	(13,559)	(10,791)	(7,286)
Total overremittances to the State Treasurer	<u>\$ (171,995)</u>	<u>\$ (175,151)</u>	<u>\$ (170,547)</u>	<u>\$ (162,697)</u>	<u>\$ (129,459)</u>	<u>\$ (87,476)</u>

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



The Superior Court of California County of San Joaquin

December 23, 2013

Elizabeth Gonzalez
Chief, Local Government Compliance Audits Bureau
State Controller's Office
Division of Audits
P O. Box 942850
Sacramento, CA 94250-5874

Subject: San Joaquin County's court revenue audit

Dear Ms. Gonzalez,

San Joaquin County Superior Court is in receipt of the draft audit report for the period of July 1, 2006, through June 30, 2012. Below is our response to the audit findings and recommendations:

Findings 1 to 4

San Joaquin County will respond to these findings and recommendations.

Finding 5- Inappropriate distribution of bail bond forfeitures

Recommendation

The Court should implement adjustments noted above to comply with statutory requirements for bail bond forfeitures.

Court response

The Court agrees with the finding. All court revenues are distributed on spreadsheets provided by the county. The county has modified their spreadsheets to include distributions for health and safety bail bond forfeitures.

Finding 6- Inappropriate distribution of parking fees

Recommendation

The Court should implement adjustments noted above to comply with statutory requirements for parking fees.

Court response

The Court agrees with the finding. All court revenues are distributed on spreadsheets provided by the county. The parking fees were not updated on the county spreadsheets to distribute according to statute. Since the exit conference, all parking fees are collected and distributed by the county. The county has modified their process to appropriately distribute parking fees according to statute.

The Court would like to thank you for the opportunity to respond to the findings and recommendations. We would also like to commend Jerry Zhou for his professionalism and courtesy during this engagement. Please contact Seng Hang, Accountant Auditor at 209 468-8131 or e-mail at shang@sjcourts.org for any questions.

Sincerely,



Rosa Junqueira
Chief Executive Officer

c: Jay Wilverding, Auditor-Controller
Linda Courtright, Chief Financial Officer

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

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