

SAN BENITO COUNTY

Final Audit Report

COURT REVENUES

July 1, 2020, through June 30, 2024



MALIA M. COHEN

CALIFORNIA STATE CONTROLLER

May 2026



STATE CONTROLLER'S OFFICE | DIVISION OF AUDITS

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MALIA M. COHEN
CALIFORNIA STATE CONTROLLER

May 22, 2026

Dear County, Court, City, and Department Representatives:

The State Controller's Office (SCO) audited San Benito County's (the county) court revenues for the period of July 1, 2020, through June 30, 2024.

Our audit found that the county underremitted a net of \$34,635 in state court revenues to the State Treasurer because it:

- Underremitted the State Trial Court Improvement and Modernization Fund (Government Code [GC] section 77205) by \$32,675;
- Underremitted the State Court Facilities Construction Fund (GC section 70372[a]) by \$3,687;
- Underremitted the State Court Facilities Construction Fund (GC section 70373) by \$5,958; and
- Overremitted the State Court Facilities Construction Fund (Vehicle Code section 42007.1) by \$7,685.

In addition, we found that the county and the Superior Court of California, San Benito County made incorrect distributions related to red-light violations with traffic violator school, base fines and penalties, domestic violence violations, the DNA identification penalty, and the priority of installment payments.

County, Court, City, and Department Representatives

May 22, 2026

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We also identified a deficiency that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Hollister and the California Department of Parks and Recreation incorrectly collected county parking surcharges.

The county should remit \$34,635 to the State Treasurer via the Report to State Controller of Remittance to State Treasurer (TC-31), and include the Schedule of this audit report. On the TC-31, the county should specify the account name identified on the Schedule of this audit report and state that the amounts are related to the SCO audit period of July 1, 2020, through June 30, 2024.

The county should not combine audit finding remittances with current revenues on the TC-31. A separate TC-31 should be submitted for the underremitted amounts for the audit period. For your convenience, the TC-31 and directions for submission to the State Treasurer's Office are located on the SCO website at www.sco.ca.gov/ard_trialcourt_manual_guidelines.html.

The underremitted amounts are due no later than 30 days after receipt of this final audit report. The SCO will add a statutory 1.5 percent per month penalty on the applicable delinquent amounts if payment is not received within 30 days of issuance of this final audit report.

Once the county has paid the underremitted amounts, the Tax Programs Unit will calculate interest on the underremitted amounts and bill the county in accordance with GC sections 68085, 70353, and 70377.

Please mail a copy of the TC-31 and documentation supporting the corresponding adjustments to the attention of the following individual:

Tax Programs Unit Supervisor
Bureau of Tax, Administration, and Government Compensation
Local Government Programs and Services Division
State Controller's Office
Post Office Box 942850
Sacramento, CA 94250

County, Court, City, and Department Representatives

May 22, 2026

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If you have questions regarding payments, TC-31s, or interest and penalties, please contact Jennifer Montecinos, Manager, Tax Administration Section, by telephone at 916-324-5961 or email at lgpsdtaxaccounting@sco.ca.gov.

If you have any questions regarding the audit findings, please contact Lisa Kurokawa, Chief, Compliance Audits Bureau, by telephone at 916-327-3138 or email at lkurokawa@sco.ca.gov.

Thank you.

Sincerely,

Original signed by

Kimberly A. Tarvin, CPA

Chief, Division of Audits

Attachment—Recipient Addresses

Copy: The Honorable Kollin Kosmicki, Chair

San Benito County Board of Supervisors

Joe Meyer, Manager

Office of Audit Services

Judicial Council of California

Lynda Gledhill, Executive Officer

California Victim Compensation Board

Andrew Soderborg, Deputy Legislative Analyst

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Recipient Addresses

The Honorable Joe Paul Gonzalez, Auditor-Controller
San Benito County
481 Fourth Street, 2nd Floor
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Tim Newman, Court Executive Officer
Superior Court of California, San Benito County
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Hollister, CA 95023

David Mirrione, City Manager
City of Hollister
375 Fifth Street
Hollister, CA 95023

Crystal Flores, Deputy Director
California Department of Parks and Recreation
715 P Street
Sacramento, CA 95814

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SUMMARY

The State Controller's Office (SCO) audited the propriety of court revenues remitted to the State of California by San Benito County (the county) on the Report to State Controller of Remittance to State Treasurer (TC-31) for the period of July 1, 2020, through June 30, 2024 (fiscal year [FY] 2020-21 through FY 2023-24).

Our audit found that the county underremitted a net of \$34,635 in state court revenues to the State Treasurer.

We also found that the county and the court made incorrect distributions related to red-light violations with traffic violator school (TVS), base fines and penalties, domestic violence violations, the DNA identification penalty, and the priority of installment payments.

We also identified a deficiency that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Hollister and the California Department of Parks and Recreation (State Parks) incorrectly collected county parking surcharges.

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 receive a portion of such money, the Superior Court of California, San Benito County (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 is 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.

The SCO publishes the *Trial Court Revenue Distribution Guidelines (Distribution Guidelines)* to provide direction on the distribution of fines, fees, forfeitures, penalties, and assessments. The *Distribution Guidelines* group code sections that share similar exceptions, conditions, or distributions into a series of nine tables.

The Judicial Council of California (JCC) provides forms and worksheets to ensure the proper calculation and distribution of fines, fees, forfeitures, penalties, and assessments. The guidance includes forms used to compute the annual maintenance-of-effort (MOE) calculation and worksheets to verify the more complex revenue distributions.

AUDIT AUTHORITY

We conducted this audit in accordance with GC section 68103, which authorizes the SCO to review the county's reports and records to ensure that all fines and forfeitures have been transmitted. In addition, GC section 68104 authorizes the SCO to examine records maintained by the court. Furthermore, GC section 12410 provides the SCO with general audit authority to superintend the fiscal concerns of the State.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our audit objective was to determine the propriety of the court revenues remitted to the State Treasurer pursuant to the TC-31 process during the period of July 1, 2020, through June 30, 2024. To achieve our objective, we performed the following procedures.

General

- We gained an understanding of the county and the court's revenue collection and reporting processes, and of the criteria that were significant to our audit objective.

- We interviewed the county's personnel regarding the monthly TC-31 remittance process, the revenue distribution process, and the MOE calculation.
- We interviewed the county's personnel regarding the county's revenue distribution process and its case management system (CMS), and we interviewed the court's personnel regarding the court's revenue distribution process and its CMS.
- We reviewed documents supporting the transaction flow.
- We scheduled monthly TC-31 remittances prepared by the county and the court showing court revenue distributions to the State.
- We performed a review of the complete TC-31 remittance process for revenues collected and distributed by the county and the court.
- We assessed the reliability of data from the CMSs based on interviews and our review of documents supporting the transaction flow. We determined that the data was sufficiently reliable for purposes of this report.

Cash Collections

- We scheduled monthly cash disbursements prepared by the county and the court showing court revenue distributions to the State, the county, and cities for all fiscal years in the audit period.
- We performed analytical procedures using ratio analysis for state and county revenues to assess the reasonableness of the revenue distributions based on statutory requirements.
- We recomputed the annual MOE calculation for all fiscal years in the audit period to verify the accuracy and completeness of the 50 percent excess of qualified revenues remitted to the State.

Distribution Testing

- We assessed the priority of installment payments by haphazardly selecting a non-statistical sample of six installment payments to verify priority. Errors found were not projected to the intended (total) population.
- We scheduled parking surcharge revenues collected from entities that issue parking citations within the county to ensure that revenues were correct, complete, and remitted in accordance with state statutory requirements. We contacted entities that did not remit the required parking surcharges and reviewed their required distributions.
- We performed a risk evaluation of the county and the court, and identified violation types that are prone to errors, due to either their complexity or statutory changes during the audit period.

Based on the risk evaluation, we haphazardly selected a non-statistical sample of 32 cases for eight violation types. We were not able to identify the case population due to the inconsistent timing of when tickets were issued versus when they were paid, and the multitude of entities that remit collections to the county for remittance to the State. Errors found were not projected to the intended (total) population. We tested the sample as follows:

- We recomputed the sample case distributions and compared them to the actual distributions.
- We calculated the total dollar amount of significant underremittances and overremittances to the State and the county.

We did not audit the financial statements of the county, the court, or the various agencies that issue parking citations. We did not review any court revenue remittances that the county or the court may be required to make under GC sections 70353 and 77201.1(b), included in the TC-31.

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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

CONCLUSION

As a result of performing the audit procedures, we found instances of noncompliance with the requirements described in our audit objective. Specifically, we found that the county underremitted a net of \$34,635 in state court revenues to the State Treasurer because it:

- Underremitted the State Trial Court Improvement and Modernization Fund (GC section 77205) by \$32,675;
- Underremitted the State Court Facilities Construction Fund (GC section 70372) by \$3,687;
- Underremitted the State Court Facilities Construction Fund (GC section 70373) by \$5,958; and
- Overremitted the State Court Facilities Construction Fund (Vehicle Code [VC] section 42007.1) by \$7,685.

These instances of noncompliance are quantified in the Schedule, and described in the Findings and Recommendations section.

In addition, we found that the county and the court made incorrect distributions related to red-light violations with TVS, base fines and penalties, domestic violence violations, the DNA identification penalty, and the priority of installment payments. These instances of noncompliance are non-monetary; they are described in the Findings and Recommendations section.

We also identified a deficiency that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Hollister and State Parks incorrectly collected county parking surcharges. This instance of noncompliance is non-monetary; it is described in the Observation and Recommendation section.

The county should remit \$34,635 to the State Treasurer.

FOLLOW-UP ON PRIOR AUDIT FINDINGS

The county has satisfactorily resolved the findings noted in our prior audit report for the period of July 1, 2012, through June 30, 2017, issued on December 23, 2019, with the exception of Finding 7 of this audit report. The implementation status of corrective actions is described in the Appendix.

VIEWS OF RESPONSIBLE OFFICIALS

We discussed our audit results with the county and the court representatives during an exit conference conducted on December 18, 2025. At the exit conference, the county and the court representatives agreed with the audit results and requested to bypass the draft audit report. The county and the court representatives responded in separate letters dated January 30, 2026, agreeing with the audit results. This final report includes the county and the court's responses as Attachments A and B.

RESTRICTED USE

This report is solely for the information and use of the county, the court, the City of Hollister, State Parks, the JCC, 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 and is available on the SCO website at

www.sco.ca.gov.

Original signed by

Kimberly A. Tarvin, CPA

Chief, Division of Audits

May 22, 2026

SCHEDULE—SUMMARY OF AUDIT FINDINGS AFFECTING REMITTANCES TO THE STATE TREASURER

July 1, 2020, through June 30, 2024

The following table provides a summary of the audit findings affecting remittances to the State Treasurer:

Finding	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Finding 1—Underremitted the 50 Percent Excess of Qualified Revenues State Trial Court Improvement and Modernization Fund – GC section 77205	\$6,458	\$17,020	\$0	\$9,197	\$32,675
Finding 2—Incorrect Remittance of Revenues from the County's Probation Department					
State Court Facilities Construction Fund – GC section 70372(a)	1,650	996	569	472	3,687
State Court Facilities Construction Fund – GC section 70373	2,234	1,611	1,077	1,036	5,958
State Court Facilities Construction Fund – VC section 42007.1	-3,579	-2,025	-1,109	-972	-7,685
Total Finding 2	305	582	537	536	1,960
Total net amount underremitted to the State Treasurer	\$6,763	\$17,602	\$537	\$9,733	\$34,635

The identification of state revenue account titles should be used to ensure proper recording when preparing the TC-31.

FINDINGS AND RECOMMENDATIONS

Finding 1—Underremitted the 50 Percent Excess of Qualified Revenues

During our recalculation of the 50 percent excess of qualified revenues, we found that the county had used incorrect revenue amounts in its calculation for each fiscal year. As a result of these errors, the county underremitted the 50 percent excess of qualified revenues by \$32,675 for the audit period. The 50 percent excess of qualified revenues was incorrectly calculated because the county misinterpreted the required calculations.

For the audit period, the county provided support for its calculations of the 50 percent excess of qualified revenues. We reviewed the county's calculations and reconciled the qualified revenues to revenue collection reports provided by the court and the county. Our reconciliation found that the county had made calculation and input errors in three of the four years of the audit period. These errors included using revenues collected in July 2024 for its FY 2023-24 calculation and failing to include administrative screening and citation processing fees in its calculation for FY 2020-21.

Furthermore, we noted that the county had incorrectly excluded revenues collected for the Courthouse Construction Fund (GC section 76100); Criminal Justice Facilities Construction Fund (GC section 76101); Emergency Medical Services Fund (GC section 76104); Maddy Emergency Medical Services Fund (GC section 76000.5); and the city base fine (VC section 42007[c]) from its calculation of the TVS fee (VC section 42007) during the audit period.

We recalculated the county's qualified revenues based on actual revenues collected for each fiscal year. After our recalculation, we found that the county had understated qualified

revenues by a net of \$100,930 for the audit period. The net understatement of qualified revenues is as follows:

- Calculation and input errors – -\$23,091;
- Courthouse Construction Fund (GC section 76100) – \$2,945;
- Criminal Justice Facilities Construction Fund (GC section 76101) – \$2,926;
- Emergency Medical Services Fund (GC section 76104) – \$21,122;
- Maddy Emergency Medical Services Fund (GC section 76000.5) – \$21,090; and
- City base fines (VC section 42007[c]) – \$75,938.

The following table shows the audit adjustments to qualified revenues:

Revenue Analysis	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Qualified revenues reported	\$294,979	\$313,933	\$227,495	\$307,528	\$1,143,935
Audit adjustments:					
Calculation and input errors	1,100	260	0	-24,451	-23,091
VC section 42007 understatements	19,161	33,779	28,236	42,845	124,021
Total audit adjustments	20,261	34,039	28,236	18,394	100,930
Adjusted qualified revenues	\$315,240	\$347,972	\$255,731	\$325,922	\$1,244,865

As a result of miscalculating the qualified revenues, the county underremitted the 50 percent excess of qualified revenues by \$32,675 for the audit period.

The table on the next page shows the excess qualified revenues, and—by comparing the 50 percent excess amount due the State to the county’s actual remittance—the county’s underremittance to the State Treasurer.

Fiscal Year	Qualifying Revenues	Base Amount	Excess Amount Above the Base	50 Percent Excess Amount Due the State	County Remittance to the State Treasurer	County Underremittance to the State Treasurer
2020-21	\$315,240	\$302,324	\$12,916	\$6,458	\$0	\$6,458
2021-22	347,972	302,324	45,648	22,824	-5,804	17,020
2022-23	255,731	302,324	0	0	0	0
2023-24	325,922	302,324	23,598	11,799	-2,602	9,197
Total						\$32,675

Criteria

GC section 77205(a) requires the county to remit 50 percent of the qualified revenues that exceed the amount specified in GC section 77201.1(b)(2) for FY 1998-99, and each fiscal year thereafter, to the State Trial Court Improvement and Modernization Fund.

Recommendation

We recommend that the county:

- Remit \$32,675 to the State Treasurer and report on the TC-31 an increase to the State Trial Court Improvement and Modernization Fund; and
- Ensure that the proper accounts are included in the calculation of each line item on the 50-50 Excess Split Revenue Computation Form.

County's Response

The County Auditor-Controller's Office will remit \$32,675 to the State Treasurer and report on the TC-31 an increase to the State Trial Court Improvement and Modernization Fund. In addition, the Auditor-Controller's Office has corrected the County's workbook formulas to reflect the changes needed to include revenues collected for the Courthouse Construction Fund ([G]C section 76100); Criminal Justice Facilities Construction Fund (GC section 76101); Emergency Medical Services Fund (GC section 76104); Maddy Emergency Medical Services Fund (GC section 76000.5);

and the city base fine (VC section 42007[c]) revenues from its calculation of the traffic violator school (TVS) fee (VC section 42007) for the 50 percent excess qualified revenues calculation.

Finding 2—Incorrect Remittance of Revenues from the County’s Probation Department

During our reconciliation of TC-31 remittances, we found that the county had not properly remitted revenues for the State Court Facilities Construction Fund and the County Criminal Justice Facilities Construction Fund, resulting in a net underremittance to the State of \$1,960. The error occurred due to input errors made by the county Auditor-Controller’s Office during monthly TC-31 remittance procedures.

We reviewed the county’s support for its TC-31 remittances to verify the accuracy of the county’s collection and remittance to the State. We reconciled the revenues reported on TC-31 remittances to the county and court collection reports.

During our review, we found that the revenues collected by the county’s probation department for the State’s Court Facilities Construction Fund did not reconcile to the county’s TC-31 remittances during the audit period. Revenues did not reconcile because the county’s Auditor-Controller’s Office staff members entered Criminal Justice Facilities Construction Fund (GC section 76101) revenues as state TVS fee (VC section 42007.1) revenues on the monthly department summary worksheet. Furthermore, revenues collected by the county’s probation department for the state court facilities construction penalty (GC section 70372[a]) and the criminal conviction assessment (GC section 70373) were incorrectly remitted to the county’s general fund rather than to the State.

We performed a revenue analysis of this error and determined that the incorrect recording of the county’s probation department revenues by the county Auditor-Controller’s Office resulted in a net underremittance to the State of \$1,960 for the audit period.

The following table shows the effect of the incorrect remittance:

Account Title	Underremitted/ Overremitted
State Court Facilities Construction Fund – GC section 70372(a)	\$3,687
State Court Facilities Construction Fund – GC section 70373	5,958
State Court Facilities Construction Fund – VC section 42007.1	<u>-7,685</u>
Total	<u>1,960</u>
County – Criminal Justice Facilities Construction Fund – GC section 76101	\$7,685
County – General Fund	<u>-9,645</u>
Total	<u>-\$1,960</u>

Criteria

GC section 68101(a) requires the county to remit court revenues to the State for all appropriate collections made by the court and deposited with the county treasurer.

Recommendation

We recommend that the county remit \$1,960 to the State Treasurer and report the following on the TC-31:

- An increase of \$3,687 to the State Court Facilities Construction Fund (GC section 70372[a]);
- An increase of \$5,958 to the State Court Facilities Construction Fund (GC section 70373);
and
- A decrease of \$7,685 to the State Court Facilities Construction Fund (VC section 42007.1).

We also recommend that the county Auditor-Controller's Office review and reconcile its monthly department summary worksheets to ensure that all appropriate revenues are distributed to the proper state and county funds.

County's Response

Probation is working with the County Auditor-Controller's Office to ensure revenues are applied to the correct fund account, including the Criminal Justice Facilities Construction Fund (GC [section] 76101). . . .

Probation has also updated case management system (CMS) distributions to correctly remit revenues for the State Court Facilities Construction penalty (GC [section] 70372[a]) and the Criminal Conviction Assessment (GC [section] 70373) to the State in accordance with statutory requirements. Additionally, the Probation Department will periodically verify the accuracy of its distributions using the Judicial Council of California's testing sheets.

Finding 3—Incorrect Distribution of Revenues from the Traffic Violator School Fee

During our testing of violations with TVS, we found that the court had not properly distributed revenues between the State and the county for the \$49 TVS fee (VC section 42007.1). The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We verified, on a sample basis, distributions made by the court using its CMS. For each sample case, we recomputed the distributions and compared them to the actual distributions. We tested eight TVS cases and found that the court had incorrectly distributed the \$49 TVS fee (VC section 42007.1) in each case. We reviewed the cases and found that the error occurred because the court had distributed 52 percent of the fee to the State and 48 percent to the county rather than the required 51 percent and 49 percent, respectively.

We performed a revenue analysis of the \$49 TVS fee revenues and determined that the distribution error did not have a material effect on state revenues.

Criteria

During the first year of the audit period, VC section 42007.1(b) required that 51 percent of the \$49 TVS fee be deposited in the Immediate and Critical Needs Account of the State Court Facilities Construction Fund, with the remaining 49 percent to be deposited in the county's general fund. Statutes of 2021, Chapter 79 abolished the Immediate and Critical Needs Account and made various changes to existing law. VC section 42007.1(b) currently requires that 51 percent of the amount collected for the \$49 TVS fee be transmitted monthly to the SCO for deposit in the State Court Facilities Construction Fund.

Recommendation

We recommend that the court:

- Correct its CMS to ensure that revenues are distributed in accordance with statutory requirements; and
- Periodically verify the accuracy of its distributions using the JCC's testing sheets.

Court's Response

We agree with this finding and will work with the Court's CMS provider to update the distribution configuration.

Finding 4—Incorrect Distribution of Revenues from Red-Light Violations with Traffic Violator School

During our testing of red-light violations with TVS, we found that the court had not properly distributed revenues for the 30 percent red-light allocation (VC section 42007.3). The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We verified, on a sample basis, distributions made by the court using its CMS. For each sample case, we recomputed the distributions and compared them to the actual distributions. We tested four red-light TVS violations and found that the court had not distributed the revenues correctly in each of the four cases. We reviewed the cases and determined that the error occurred because the court's staff members failed to distribute 30 percent of all required fines, penalties, and assessments for the red-light allocation (VC section 42007.3). The error resulted in underremittances to the county and city red-light allocation funds and overremittances to the TVS fee (VC section 42007).

We performed a revenue analysis of the red-light TVS revenues and determined that the error does not have a material effect on state revenues or the 50 percent excess of qualified revenue calculation.

Criteria

VC section 42007.3 requires that the first 30 percent of the amount collected pursuant to VC section 42007 from each person required or permitted to attend traffic violator school be allocated to the general fund of the city or the county in which the offense occurred; and that the balance of the amount collected be deposited by the county treasurer as required by VC section 42007.

Recommendation

We recommend that the court:

- Correct its CMS to ensure that revenues are distributed in accordance with statutory requirements; and
- Periodically verify the accuracy of its distributions using the JCC's testing sheets.

Court's Response

We agree with this finding and will work with the Court's CMS provider to update the distribution configuration.

Finding 5—Incorrect Distribution of Revenues from Penalties and Assessments Calculated from Base Fines

During our testing of court cases, we found that the court had not properly distributed revenues for penalties and assessments calculated from base fines. The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We verified, on a sample basis, distributions made by the court using its CMS. For each sample case, we recomputed the distributions and compared them to the actual distributions. We tested 24 cases where a base fine was imposed; these cases included red-light, DUI, speeding, and proof of insurance violations; and red-light and speeding violations with TVS. In two of the 24 cases tested, we found that the court had not properly calculated state and county penalty assessments from the base fine. In both cases, the court did not round the \$10 portion of base fines before calculating the penalty assessments. This resulted in the court undercollecting each state and county penalty assessment calculated from the base fine.

We discussed this issue with the court and determined that the error was not systemic and only applied to rare cases with unusual base fines. We did not perform a revenue analysis of this error, as the court cannot retroactively increase penalty assessments calculated from the base fine.

Criteria

Penal Code (PC) section 1463.001 requires the state and county penalties imposed under PC section 1214.1 to be transferred to the proper funds as required by law.

Recommendation

We recommend that the court:

- Review its procedures for cases with non-traditional base fines to ensure that revenues are distributed in accordance with statutory requirements; and

- Periodically verify the accuracy of its distributions using the JCC's testing sheets.

Court's Response

We agree with this finding and will review the Court's procedures for cases with non-traditional base fines to ensure that revenues are distributed in accordance with statutory requirements.

Finding 6—Incorrect Distribution of Revenues from the Domestic Violence Fee

During our testing of domestic violence violations, we found that the county's probation department had not properly distributed revenues from the domestic violence fee (PC section 1203.097). The error occurred because the county's probation department misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We verified, on a sample basis, distributions made by the county's probation department using its CMS. For each sample case, we recomputed the distributions and compared them to the actual distributions. We tested four domestic violence violations and found that the county's probation department had incorrectly distributed the \$500 domestic violence fee (PC section 1203.097) in each case. The county's probation department incorrectly distributed \$330 to the county and \$170 to the State rather than the required two-thirds to the county and one-third to the State.

We performed a revenue analysis of the domestic violence fee revenues and determined that the error does not have a material effect on state revenues.

Criteria

PC section 1203.097(a)(5) requires that two-thirds of the collected domestic violence fee be posted to the county's domestic violence programs special fund. This section further requires that the remaining one-third be transferred, once a month, to the SCO for deposit in equal

amounts in the State's Domestic Violence Restraining Order Reimbursement Fund and the State's Domestic Violence Training and Education Fund.

Recommendation

We recommend that the county's probation department:

- Correct its CMS to ensure that revenues are collected and distributed in accordance with statutory requirements; and
- Periodically verify the accuracy of its distributions using the JCC's testing sheets.

County's Response

Probation has corrected the CMS configuration to ensure domestic violence fee revenues are distributed in accordance with PC [section] 1203.097 and applicable distribution guidelines. Additionally, the Probation Department will periodically verify the accuracy of its distributions using the Judicial Council of California's testing sheets.

Finding 7—Incorrect Distribution of Revenues from the DNA Identification Penalty (Repeat Finding)

During our review and analysis of the county's probation department revenues, we found that the county's probation department had not properly distributed revenues for the DNA identification penalty (GC section 76104.6) during each fiscal year in the audit period. The error occurred because the county's probation department misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We reviewed revenue collection reports from the county's probation department, and noted that it did not properly distribute revenues from the DNA identification penalty (GC section 76104.6) during each fiscal year in the audit period. The county's probation department distributed 75 percent of the penalty to the State and 25 percent to the county, rather than distributing the required 25 percent to the State and 75 percent to the county.

We discussed this error with staff members from the county's probation department, who confirmed that the distribution error was not corrected after issuance of the last audit report. We performed a revenue analysis of the error and determined that it did not result in a material overremittance to the State.

This is a repeat finding, as the county's probation department did not correct the distribution error noted in our prior audit report dated December 23, 2019. As discussed in Finding 3 of our prior audit report, the county's probation department overremitted to the State's DNA Identification Fund by distributing 75 percent of the DNA identification penalty assessments instead of the required 25 percent.

Criteria

GC section 76104.6(a)(1) requires that an additional penalty of \$1 for every \$10, or fraction thereof, be levied on every fine, penalty, or forfeiture imposed and collected for criminal offenses, including traffic offenses.

GC section 76104.6(a)(2) requires the money collected for the DNA identification penalty to be deposited in the county's DNA Identification Fund.

Pursuant to GC section 76104.6(b)(2), in calendar year 2008 and each year thereafter, 25 percent of the money collected for the DNA identification penalty must be remitted to the State and the remaining 75 percent must be deposited in the county's DNA Identification Fund.

Recommendation

We recommend that the county's probation department:

- Correct its CMS to ensure that revenues are distributed in accordance with statutory requirements; and
- Periodically verify the accuracy of its distributions using the JCC's testing sheets.

County's Response

Probation has corrected and reconfigured CMS to ensure DNA identification penalty revenues are distributed in compliance with GC [section] 76104.6.

Finding 8—Incorrect Prioritization of Installment Payments

During our testing of the county's probation department cases, we found that the department had incorrectly prioritized distributions of installment payments. The error occurred because the county's probation department misinterpreted the *Distribution Guidelines* and incorrectly configured its CMS.

We verified, on a sample basis, distributions made by the county's probation department using its CMS for installment payments. For each sample case, we reviewed the distributions to determine whether the county's probation department had correctly prioritized the distributions of installment payments according to PC section 1203.1d, subparagraph (b).

We tested two cases and found that the county's probation department had not distributed payments according to PC section 1203.1d, subparagraph (b) in one of the cases. The distribution was incorrect because the county's probation department failed to equitably prorate priority-four revenues. The county's probation department fully allocated revenues for the court operations assessment (PC section 1465.8) while partially distributing the domestic violence fee (PC section 1203.097) and making no allocations for the criminal conviction assessment (GC section 70373).

We did not measure the effect of the error because it would be impractical and difficult to redistribute revenues for every case involving installment payments.

Criteria

PC section 1203.1d, subparagraph (b) requires that installment payments be disbursed in the following order of priority:

1. Restitution ordered to victims (PC section 1202.4[f]);
2. State surcharge (PC section 1465.7);
3. Fines, penalty assessments, and restitution fines (PC section 1202.4[b]); and
4. Other reimbursable costs.

Recommendation

We recommend that the county's probation department ensure that all surcharges, fines, penalties, and fees are distributed in accordance with the statutory priority requirements.

County's Response

Probation has updated CMS to reflect the correct order of priority as follows:

1. Restitution ordered to victims (PC [section] 1202.4[f])
2. State surcharge (PC [section] 1465.7)
3. Fines, penalty assessments, and restitution fines (PC [section] 1202.4[b])
4. Other reimbursable costs

OBSERVATION AND RECOMMENDATION

Observation—Incorrect Collection of County Parking Surcharges

During our analysis of parking surcharges remitted to the county, we found that the City of Hollister and State Parks had imposed and collected incorrect parking surcharges. The error occurred because the aforementioned parking entities misinterpreted the *Distribution Guidelines* relating to parking surcharges.

External parking entities are required to collect revenues for parking violations and remit the revenues to the county. Revenues are remitted to the county on a monthly basis and collection reports are included to support the remitted revenues. During our analysis of the parking documentation, we found that the City of Hollister and State Parks had incorrectly collected a total of \$12.50 in state and county parking surcharges on every parking violation collected during the audit period. The parking entities should have collected \$11.00 in state and county parking surcharges.

As the county had transferred responsibility for its court facilities to the JCC, the entities should not have collected \$2.50 for the Courthouse Construction Fund (GC section 76100). Instead, entities should have collected only \$1 for the Courthouse Construction Fund (GC section 76100) and \$2.50 for the Criminal Justice Facilities Construction Fund (GC section 76101). The parking entities did correctly distribute \$1 of each county surcharge to the county's general fund in accordance with GC section 76000(c).

GC section 76000(b) requires, provided that the board of supervisors has adopted a resolution stating that the implementation of this subdivision is necessary to the county, that for each authorized fund established pursuant to GC section 76100 or GC section 76101, for every parking offense where a parking penalty, fine, or forfeiture is imposed, an added penalty of \$2.50 be included in the total penalty, fine, or forfeiture.

GC section 76000(c) requires the county treasurer to deposit \$1.00 of every \$2.50 collected for the county's Courthouse Construction Fund and the county's Criminal Justice Facilities Construction Fund into the county's general fund.

GC section 76000(d) states that the authority to impose the \$2.50 penalty authorized by GC section 76000(b) should be reduced to \$1.00 as of the date of transfer of responsibility for facilities from the county to the JCC, except as money is needed to pay for construction provided for in GC section 76100.

GC section 70372(b) requires the issuing agencies to collect a state surcharge of \$4.50 for every parking fine or forfeiture, for deposit in the State Court Facilities Construction Fund.

During the first year of the audit period, GC section 70372(f) required that one-third of the \$4.50 be deposited in the State Court Facilities Construction Fund and two-thirds be deposited in the Immediate and Critical Needs Account. Statutes of 2021, Chapter 79, abolished the Immediate and Critical Needs Account and made various changes to existing law. GC section 70372(f) currently requires that the \$4.50 be deposited in the State Court Facilities Construction Fund.

GC section 76000.3 requires that parking agencies remit to the State Treasurer a state surcharge of \$3.00 on each parking violation, for deposit in the State's Trial Court Trust Fund.

Recommendation

We recommend that the parking entities collect and remit the required state and county parking surcharges, totaling \$11 per infraction, to the county.

APPENDIX—SUMMARY OF PRIOR AUDIT FINDINGS

The following table shows the implementation status of San Benito County's corrective actions related to the findings contained in our prior audit report dated December 23, 2019.

Prior Audit Finding	Status
Finding 1— Overremitted domestic violence fees	Fully implemented
Finding 2— County's Probation Department underremitted court facilities construction funds	Fully implemented
Finding 3— County's Probation Department overremitted State DNA penalties	Not implemented; see Finding 7
Finding 4— Underremitted the 2% state automation fee	Fully implemented
Finding 5— Incorrect distribution of parking surcharges	Fully implemented
Finding 6— Failure to impose administrative screening fees and citation processing fees	Fully implemented
Finding 7— Incorrect distribution of juvenile traffic violator school bail	Fully implemented

Prior Audit Finding	Status
Finding 8— Incorrect assessment of the court security fee	Fully implemented
Observation— Incorrect assessment of local penalties	Fully implemented

ATTACHMENT A—SAN BENITO COUNTY’S COMMENTS REGARDING THE AUDIT RESULTS

JOE PAUL GONZALEZ
AUDITOR-CONTROLLER
E-Mail: JGonzalez@SanBenitoCountyCA.Gov



OFFICE OF THE AUDITOR-CONTROLLER
481 4th St., 2nd Floor
Hollister, California 95023

COUNTY OF SAN BENITO

January 30, 2026

Kimberly Tarvin
Division Chief
Office of State Controller Malia M. Cohen
Division of Audits, Compliance Audits Bureau
3301 C Street, Suite 735
Sacramento, CA 95816

Re: Audit Report Court Revenues July 1, 2020, through June 30, 2024

Dear Ms. Travin,

The County agrees with the findings identified in the State Controller's Office Audit Report of Court Revenues for the period of July 1, 2020, through June 30, 2024.

Responses to each of the audit findings that pertain to the County of San Benito are attached to this letter.

If you have any questions or additional information requests, please feel free to contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Joe Paul Gonzalez".

Joe Paul Gonzalez
Auditor-Controller
County of San Benito

San Benito County Response to Audit Findings

Response to Finding 1:

The County Auditor-Controller's Office will remit \$32,675 to the State Treasurer and report on the TC-31 an increase to the State Trial Court Improvement and Modernization Fund. In addition, the Auditor-Controller's Office has corrected the County's workbook formulas to reflect the changes needed to include revenues collected for the Courthouse Construction Fund (C section 76100); Criminal Justice Facilities Construction Fund (GC section 76101); Emergency Medical Services Fund (GC section 76104); Maddy Emergency Medical Services Fund (GC section 76000.5); and the city base fine (VC section 42007(c)) revenues from its calculation of the traffic violator school (TVS) fee (VC section 42007) for the 50 percent excess qualified revenues calculation.

Response to Finding 2:

Probation is working with the County Auditor-Controller's Office to ensure revenues are applied to the correct fund account, including the Criminal Justice Facilities Construction Fund (GC §76101).

GC 76000 PA (per BOS Resolution)	GC76100 LOCAL COURT CONSTRUCTION FUND	GC76100 LOCAL COURT CONSTRUCTION FUND	429.95.4480.1000.590.888 (CONSTRU	County: Flat \$5.15
		GC68090.8 2% STATE AUTOMATION	610.95.6295.220.010 (TC-31; TRUST	Automation: 2%
	GC76101 CRIMINAL JUSTICE FACILITIES	GC76101 CRIMINAL JUSTICE FACILITIES	429.95.4485.1000.590.888 (Construction Trust Fund; Trust & Agency, Criminal Justice Facility)	County: 2.50/10
		GC68090.8 2% STATE AUTOMATION	610.95.6295.220.010 (TC-31; TRUST	Automation: 2%
	GC76102 AUTOMATED FINGERPRINTS	GC76102 AUTOMATED FINGERPRINTS	Trust Fund; Sheriff; Finger Print	County: 0.50/10
	GC76104 EMS	GC76104 EMS (MADDY)	637.15.2490.1000.590.888 (Maddy F	County: 2.0/10
		GC68090.8 2% STATE AUTOMATION	610.95.6295.220.010 (TC-31; TRUST	Automation: 2%
	GC76000.5 Maddy EMS Fund	GC76000.5 EMS add'l penalty (MADDY-R	637.15.2495.1000.590.888 (Maddy F	100% to EMS: 2/10
	GC68090.8 2% STATE AUTOMATION	610.95.6295.220.010 (TC-31; TRUST	Automation: 2%	

Probation has also updated case management system (CMS) distributions to correctly remit revenues for the State Court Facilities Construction penalty (GC §70372[a]) and the Criminal Conviction Assessment (GC §70373) to the State in accordance with statutory requirements. Additionally, the Probation Department will periodically verify the accuracy of its distributions using the Judicial Council of California's testing sheets.

GC70372(a) State Court Facilities Const. Penal	GC70372(a) - State - SCFCF (5/10)	429.95.4480.1000.590.888 (CON	State: 33.33%
	GC70372 - ICNA	610.95.6295.220.014 ((TC-31; TR	State: 66.67%
	GC68090.8 2% STATE AUTOMATION	610.95.6295.220.010 (TC-31; TRU	Automation: 2%
GC 70373 - Criminal Conviction Assessment	GC 70373 - Crim Conv Assmt	610.95.6270.1000.590.888 (TC-3	State: \$30/misd./\$35 infr. (S

Response to Finding 6:

Probation has corrected the CMS configuration to ensure domestic violence fee revenues are distributed in accordance with PC §1203.097 and applicable distribution guidelines. Additionally, the Probation Department will periodically verify the accuracy of its distributions using the Judicial Council of California's testing sheets.

PC 1203.097 DV Fund (County 2/3 of fee \$500)	434.50.4595.1000.520.501 (Probation Trust Fund; Probation;	County: 2/3
PC 1203.097 DV Fund (State 1/3 of fee \$500)	610.95.6295.220.011 (TC31; Trust & A	State: 1/3 - split State DVRORF * State DVTEF

Response to Finding 7:

Probation has corrected and reconfigured CMS to ensure DNA Identification penalty revenues are distributed in compliance with GC §76104.6.

GC76104.6 DNA PA STATE	623.40.7125.1000.590.888 (SHERIFF TR	1/10 - State: 0.25 per 10
GC76104.6 DNA PA COUNTY	423.40.7130.1000.531.001 (SHERIFF TR	1/10 - County: 0.75 per 10

Response to Finding 8:

Probation has updated CMS to reflect the correct order of priority as follows:

1. Restitution ordered to victims (PC §1202.4[f])
2. State surcharge (PC §1465.7)
3. Fines, penalty assessments, and restitution fines (PC §1202.4[b])
4. Other reimbursable costs

In conclusion:

The County of San Benito accepts the audit recommendations and has implemented, or is in the process of implementing, corrective actions to ensure compliance with applicable statutes and distribution guidelines. Additionally, the Probation Department will periodically verify the accuracy of its distributions using the Judicial Council of California's testing sheets.

ATTACHMENT B—SUPERIOR COURT OF CALIFORNIA, SAN BENITO COUNTY'S COMMENTS REGARDING THE AUDIT RESULTS



Superior Court of the State of California County of San Benito

TIM NEWMAN

Court Executive Officer

450 Fourth Street, Hollister, CA 95023

www.sanbenito.courts.ca.gov

January 30, 2026

Kimberly Tarvin
Division Chief
Office of State Controller Malia M. Cohen
Division of Audits, Compliance Audits Bureau
3301 C Street, Suite 735
Sacramento, CA 95816

Re: Audit Report Court Revenues July 1, 2020, through June 30, 2024

Dear Ms. Travin,

Thank you for the opportunity to review and comment on the potential findings and recommendations from the court revenue audit for the Superior Court of California, County of San Benito ("Court"). The Court appreciates the time and effort your office has taken to compile the potential findings and to provide the recommended actions.

The following pages include responses to each recommendation and comments on the potential findings where necessary. Please note that the Court is specifically not responding to the findings that address the County's collections and distributions.

If you have comments and/or questions or require additional information, please contact me at your convenience.

Sincerely,

Tim Newman
Court Executive Officer
Superior Court of California, County of San Benito

***Finding 1 – Underr
emitted the 50 percent excess of qualified revenues***

Response 1: This recommendation is directed to the county, and the Court defers to the county for a response to this recommendation.

Finding 2 – Incorrect remittance of the county’s probation department revenues

Response 2: This recommendation is directed to the county, and the Court defers to the county for a response to this recommendation.

Finding 3 – Incorrect distribution of the traffic violator school fee

Response 3: We agree with this finding and will work with the Courts CMS provider to update the distribution configuration.

Finding 4 – Incorrect distribution of revenues from red-light violations with TVS

Response 4: We agree with this finding and will work with the Courts CMS provider to update the distribution configuration.

Finding 5 – Incorrect distribution of base fines and penalty assessments

Response 5: We agree with this finding and will review the Court’s procedures for cases with non-traditional base fines to ensure that revenues are distributed in accordance with statutory requirements.

Finding 6 – Incorrect distribution of the domestic violence fee

Response 6: This recommendation is directed to the county, and the Court defers to the county for a response to this recommendation.

Finding 7 – Incorrect distribution of DNA identification penalty revenues (repeat finding)

Response 7: This recommendation is directed to the county, and the Court defers to the county for a response to this recommendation.

Finding 8 – Incorrect prioritization of installment payments

Response 8: This recommendation is directed to the county, and the Court defers to the county for a response to this recommendation.