

MADERA COUNTY

Audit Report

COURT REVENUES

July 1, 2019, through June 30, 2023



MALIA M. COHEN
CALIFORNIA STATE CONTROLLER

September 2025



MALIA M. COHEN
CALIFORNIA STATE CONTROLLER

September 3, 2025

Dear County, Court, and City Representatives:

The State Controller's Office (SCO) audited Madera County's (the county) court revenues for the period of July 1, 2019, through June 30, 2023.

Our audit found that the county underremitted a net of \$28,763 in state court revenues to the State Treasurer because it:

- Overremitted the State's DNA Identification Fund (Government Code [GC] section 76104.6) by \$13,952;
- Underremitted the State's DNA Identification Fund (GC section 76104.7) by \$32,313;
- Underremitted the State's General Fund (Penal Code section 1214.1) by \$5,362;
- Underremitted the State's Restitution Fund (Penal Code section 1463.18) by \$2,522; and
- Underremitted the State's General Fund (Health and Safety Code section 11502) by \$2,518.

In addition, we found that the Superior Court of California, Madera County made incorrect distributions related to the prioritization of installment payments. Furthermore, we found that the county's probation department made incorrect distributions related to DUI, health and safety, and domestic violence cases.

We also identified an instance of noncompliance that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Chowchilla imposed and collected incorrect parking surcharges.

The county should remit \$28,763 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, 2019, through June 30, 2023.

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

County, Court, and City Representatives

September 3, 2025

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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% 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

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

KAT/rs

Attachment—Recipient Addresses

County, Court, and City Representatives

September 3, 2025

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Copy: The Honorable Leticia Gonzalez, Chair
Madera County Board of Supervisors
Joe Meyer, Manager
Audit Services
Judicial Council of California
Lynda Gledhill, Executive Officer
California Victim Compensation Board
Anita Lee, Senior Fiscal and Policy Analyst
Legislative Analyst's Office
Sandeep Singh, Manager
Local Government Policy Unit
State Controller's Office
Jennifer Montecinos, Manager
Tax Administration Section
State Controller's Office

Recipient Addresses

The Honorable David Richstone, Auditor-Controller
Madera County
200 West Fourth Street
Madera, CA 93637

Adrienne Calip, Court Executive Officer
Superior Court of California, Madera County
200 South G Street
Madera, CA 93637

Kerri Williams, Finance Director
City of Chowchilla
130 South Second Street
Chowchilla, CA 93610

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Audit Report

Summary

The State Controller's Office (SCO) audited the propriety of court revenues remitted to the State of California by Madera County (the county) on the Report to State Controller of Remittance to State Treasurer (TC-31) for the period of July 1, 2019, through June 30, 2023.

Our audit found that the county underremitted a net of \$28,763 in state court revenues to the State Treasurer.

In addition, we found that the Superior Court of California, Madera County (the court) made incorrect distributions related to the prioritization of installment payments. Furthermore, we found that the county's probation department made incorrect distributions related to DUI, health and safety, and domestic violence cases.

We also identified an instance of noncompliance that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Chowchilla imposed and collected incorrect 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 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 under the authority of GC section 68103, which requires 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, 2019, through June 30, 2023. 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 county personnel regarding the monthly TC-31 remittance process and MOE calculation.
- We interviewed county and court personnel regarding the revenue distribution process and the case management systems (CMSs).
- 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, 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% of qualified revenues remitted to the State.

Distribution Testing

- We assessed the priority of installment payments by haphazardly selecting a non-statistical sample of four 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 56 cases for 11 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. 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 county.

Errors found were not projected to the intended (total) population.

We did not review any court revenue remittances that the county and 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 \$28,763 in state court revenues to the State Treasurer because it:

- Overremitted the State's DNA Identification Fund (GC section 76104.6) by \$13,952;
- Underremitted the State's DNA Identification Fund (GC section 76104.7) by \$32,313;
- Underremitted the State's General Fund (Penal Code [PC] section 1214.1) by \$5,362;
- Underremitted the State's Restitution Fund (PC section 1463.18) by \$2,522; and
- Underremitted the State's General Fund (Health and Safety Code [HSC] section 11502) by \$2,518.

These instances of noncompliance are quantified in the Schedule and described in the Findings and Recommendations section of this audit report.

In addition, we found that the court made incorrect distributions related to the prioritization of installment payments. Furthermore, we found that the county's probation department made incorrect distributions related to DUI, health and safety, and domestic violence cases.

We also identified an instance of noncompliance that is not significant to our audit objective, but warrants the attention of management. Specifically, we found that the City of Chowchilla imposed and collected incorrect parking surcharges.

The county should remit \$28,763 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, 2014, through June 30, 2018, issued on June 30, 2020, with the exception of Findings 1, 2, 4, and 5, and the Observation of this audit report. The implementation status of corrective actions is described in the Appendix.

Views of Responsible Officials

We issued a draft audit report on June 5, 2025. The county's representative responded by letter dated June 17, 2025, agreeing with the audit results. The court's representative responded by letter dated June 5, 2025, agreeing with the audit results. This final audit report includes the county and the court's responses as Attachments A and B.

Restricted Use

This audit report is solely for the information and use of the county, the court, the City of Chowchilla, 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 audit 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

September 3, 2025

Schedule—
Summary of Audit Findings Affecting Remittances to the State Treasurer
July 1, 2019, through June 30, 2023

Finding ¹	Fiscal Year				Total	Reference ²
	2019-20	2020-21	2021-22	2022-23		
Incorrect distribution of the DNA identification penalties						
State DNA Identification Fund – GC §76104.6	\$ (5,771)	\$ (1,972)	\$ (2,671)	\$ (3,538)	\$ (13,952)	
State DNA Identification Fund – GC §76104.7	7,812	6,767	8,111	9,623	32,313	
Total	<u>2,041</u>	<u>4,795</u>	<u>5,440</u>	<u>6,085</u>	<u>18,361</u>	Finding 2
Incorrect remittances to the State						
State General Fund – PC §1214.1	-	-	-	5,362	5,362	
State Restitution Fund – PC §1463.18	469	539	620	894	2,522	
Total	<u>469</u>	<u>539</u>	<u>620</u>	<u>6,256</u>	<u>7,884</u>	Finding 3
Incorrect distribution of health and safety violations						
State General Fund – HSC §11502	-	668	805	1,045	2,518	Finding 4
Net amount underremitted to the State Treasurer	<u>\$ 2,510</u>	<u>\$ 6,002</u>	<u>\$ 6,865</u>	<u>\$ 13,386</u>	<u>\$ 28,763</u>	

¹ The identification of state revenue account titles should be used to ensure proper recording when preparing the TC-31.

² See the Findings and Recommendations section.

Findings and Recommendations

FINDING 1— Incorrect calculation of 50% excess of qualified revenues (repeat finding)

During our recalculation of the 50% excess of qualified revenues, we found that the county had used incorrect qualified revenue amounts in its calculation for each fiscal year. However, the county's errors did not result in underremittances to the State Treasurer, as the qualified revenues were below the base amount for the county for all four fiscal years under audit. The 50% excess of qualified revenues was incorrectly calculated because the county misinterpreted the required calculations.

The county provided support for its calculation of the 50% excess of qualified revenues during the audit period. We reviewed the county's calculation and reconciled the qualified revenues to revenue collection reports.

We recalculated the county's qualified revenues based on actual court revenues collected for each fiscal year. After our recalculation, we found that the county had understated qualified revenues by a net of \$437,676 as follows:

- The county incorrectly excluded the following revenues from its calculation of the traffic violator school (TVS) fee (Vehicle Code [VC] section 42007):
 - City base fines (VC section 42007[c]), resulting in an understatement of \$231,010; and
 - Emergency Medical Services Fund (GC section 76104) and the Maddy Emergency Medical Services Fund (GC section 76000.5), resulting in an understatement of \$180,982.
- The county incorrectly reported the amounts collected for the following items:
 - TVS fee (VC section 42007), resulting in a net overstatement of \$1,394;
 - TVS fee (VC section 42007.1), resulting in an understatement of \$2,342;
 - State Penalty Fund (PC section 1464), resulting in a net understatement of \$4,010;
 - County base fines (PC section 1463.001), resulting in a net understatement of \$3,983;
 - County general fund (GC section 76000[c]), resulting in an understatement of \$3,302;
 - Administrative Screening Fee (PC section 1463.07), resulting in an understatement of \$7,173; and
 - Citation Processing Fee (PC section 1463.07), resulting in an understatement of \$6,268.

The following table shows the audit adjustments to qualified revenues:

	Fiscal Year				Totals
	2019-20	2020-21	2021-22	2022-23	
Qualified revenues reported	\$ 736,717	\$ 857,060	\$ 690,694	\$ 642,073	\$ 2,926,544
Audit adjustments:					
VC §42007(c) understatement	52,740	69,072	61,696	47,502	231,010
GC §76104, §76000.5 understatement	43,915	56,003	45,631	35,433	180,982
VC §42007 overstatement	2,288	-	(3,679)	(3)	(1,394)
VC §42007.1 understatement	-	-	2,341	1	2,342
PC §1464 understatement	-	(266)	(259)	4,535	4,010
PC §1463.001 understatement	(1,073)	(1,652)	7,604	(896)	3,983
GC §76000(c) understatement	21	2,018	888	375	3,302
PC §1463.07 understatement	7,173	-	-	-	7,173
PC §1463.07 understatement	6,268	-	-	-	6,268
Total	111,332	125,175	114,222	86,947	437,676
Adjusted qualified revenues	\$ 848,049	\$ 982,235	\$ 804,916	\$ 729,020	\$ 3,364,220

The following table shows our recalculation of the county's qualified revenues.

Fiscal Year	Qualifying Revenues	Base Amount	Excess Amount Above the Base	50% Excess Amount Due the State	County Remittance to the State Treasurer	County Underremittance to the State Treasurer ¹
2019-20	\$ 848,409	\$ 1,042,797	\$ (194,388)	\$ -	\$ -	\$ -
2020-21	982,235	1,042,797	(60,562)	-	-	-
2021-22	804,916	1,042,797	(237,881)	-	-	-
2022-23	729,020	1,042,797	(313,777)	-	-	-
Total						\$ -

¹Should be identified on the TC-31 as State Trial Court Improvement and Modernization Fund – GC section 77205

As discussed in Finding 1 of our prior audit report dated June 30, 2020, the county used incorrect qualified revenue amounts in its calculation of the 50% excess of qualified revenues. This is a repeat finding, as the county did not correct the errors noted in our prior audit report.

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

Recommendation

We recommend that the county ensure that the proper amounts are included in the calculations of each line item on the 50-50 Excess Split Revenue Computation Form.

County's Response

Corrective action: We agree with this finding and have made the recommended corrections on the 50% excess of qualified revenues calculation worksheet.

**FINDING 2—
Incorrect distribution
of revenues from
DNA identification
penalties (repeat
finding)**

During our testing of DUI, health and safety, and domestic violence cases, we found that the county's probation department had not properly distributed revenues from the DNA identification penalty (GC sections 76104.6 and 76104.7) to the State. 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.

In one of the four DUI cases tested, two of the four health and safety cases tested, and two of the four domestic violence cases tested, we found that the county's probation department had incorrectly assessed a \$2.50 penalty for every \$10 for the State's DNA Identification Fund (GC sections 76104.6 and 76104.7). The county's probation department should have assessed a \$1 penalty for every \$10 (GC section 76104.6) and a \$4 penalty for every \$10 (GC section 76104.7) for the State's DNA Identification Fund.

The incorrect distributions had the following effect:

Account Title	Underremitted/ (Overremitted)
State DNA Identification Fund – GC §76104.6	\$ (13,952)
State DNA Identification Fund – GC §76104.7	32,313
Total	<u>\$ 18,361</u>
County DNA Identification Fund – GC §76104.6	<u>\$ (18,361)</u>

As discussed in Finding 5 of our prior audit report dated June 30, 2020, the county's probation department did not assess the correct amounts for the State's DNA Identification Fund (GC sections 76104.6 and 76104.7). This is a repeat finding, as the county's probation department did not correct the errors noted in our prior audit report.

GC section 76104.6(a)(1) requires that an additional penalty of \$1 for every \$10, or part of \$10, be imposed upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses, including vehicle code violations.

GC section 76104.6(b)(1) states that the county treasurer must transfer 25% of the DNA penalty assessment collections to the State Treasurer.

GC section 76104.7(a) requires that an additional penalty of \$4 for every \$10, or fraction thereof, be imposed upon every fine, penalty, or forfeiture imposed and collected on criminal offenses, including traffic offenses but excluding parking offenses.

Recommendation

We recommend that the county's probation department:

- Remit \$18,361 to the State Treasurer and report on the TC-31 a decrease of \$13,952 to the State's DNA Identification Fund (GC section 76104.6) and an increase of \$32,313 to the State's DNA Identification Fund (GC section 76104.7);
- 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

Correction: We agree with this finding and have made recommended corrections to remit \$18,361 to the State Treasury, and report on the TC-31 a decrease of \$13,952 to [the] State's DNA Identification Fund [GC section] 76104.6 and an increase of \$32,313 to the State's DNA Identification Fund [GC section] 76104.7.

Corrective action: The county probation department has corrected their accounting system to comply with statutory requirements.

FINDING 3— Incorrect remittances to the State

During our reconciliation of TC-31 revenues, we found that the county had not properly remitted revenues to the State. The error occurred because the county overlooked the revenues that are required to be remitted to the State.

We compared the actual revenues collected by the court and the county's probation department to the revenues reported by the county on its TC-31s. During our reconciliation, we found that the county had not properly remitted the State's General Fund (PC section 1214.1) revenues collected by the court and the State's Restitution Fund (PC section 1463.18) revenues collected by the county's probation department to the State.

The incorrect distributions had the following effect:

<u>Account Title</u>	<u>Underremitted/ (Overremitted)</u>
State General Fund – PC §1214.1	\$ 5,362
State Restitution Fund – PC §1463.18	2,522
Total	<u>\$ 7,884</u>
County General Fund	<u>\$ (7,884)</u>

PC section 1214.1(a) authorizes the court to impose a civil assessment of up to \$100 against a defendant who fails to appear in court, pay all or any portion of a fine ordered by the court, or pay an installment of bail. This section requires the assessment to be deposited into the State's General Fund.

PC section 1463.18 requires the first \$20 of any amount collected for a DUI conviction to be transferred to the State's Restitution Fund.

Recommendation

We recommend that the county remit \$7,884 to the State Treasurer and report on the TC-31 an increase of \$5,362 to the State's General Fund (PC section 1214.1) and an increase of \$2,522 to the State's Restitution Fund (PC section 1463.18).

County's Response

Correction: We agree with this finding and have made recommended corrections to remit \$7,884 to the state, an increase of \$5,362 to PC section 1214.1 and an increase of \$2,522 to PC section 1463.18.

FINDING 4— Incorrect distribution of revenues from health and safety violations (repeat finding)

During our testing of health and safety violation cases, we found that the county's probation department had not properly distributed the related revenues. 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. In one of the four cases tested, we found that the county's probation department had incorrectly distributed 25% of the base fines to the State's General Fund (HSC section 11502) instead of distributing 75% of the base fines to the State's General Fund (HSC section 11502).

The incorrect distributions had the following effect:

Account Title	Underremitted/ (Overremitted)
State General Fund – HSC §11502	\$ 2,518
County General Fund – HSC §11502	\$ (2,518)

As discussed in Finding 4 of our prior audit report dated June 30, 2020, the county's probation department did not distribute 75% of the base fines to the State's General Fund (HSC section 11502). This is a repeat finding, as the county's probation department did not correct the errors noted in our prior audit report.

HSC section 11502(a) requires moneys, forfeited bail, or fines received by the court under Division 10 of the Health and Safety Code to be distributed in the following manner: 75% to the State Treasurer and 25% to the county or city, depending on where the offense occurred.

Recommendation

We recommend that the county's probation department:

- Remit \$2,518 to the State Treasurer and report on the TC-31 an increase of \$2,518 to the State's General Fund (HSC section 11502);
- 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

Correction: We agree with this finding and will remit \$2,518 to the State Treasurer.

Corrective action: The county probation department has corrected the distribution of base fine to comply with statutory requirements.

FINDING 5— Incorrect distributions to the State Trial Court Improvement and Modernization Fund (repeat finding)

During our testing of DUI, health and safety, and domestic violence cases, we found that the county's probation department had not properly distributed revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8). 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.

In all four DUI cases tested we found errors as follows:

- In two of the four DUI cases tested, the county's probation department did not distribute 2% of the county special account (PC section 1463.16), State's Restitution Fund (PC section 1463.18), State's DNA Identification Fund (GC sections 76104.6 and 76104.7), Maddy Emergency Medical Services Fund (GC section 76000.5), Emergency Medical Air Transportation and Children's Coverage Fund (GC section 76000.10[c]), or State Court Facilities Construction Fund (GC section 70372[a]) revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8).
- In two of the four DUI cases tested, the county's probation department did not distribute 2% of the Maddy Emergency Medical Services Fund (GC section 76000.5) or Emergency Medical Air Transportation and

Children's Coverage Fund (GC section 76000.10[c]) revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8).

In all four domestic violence cases tested, we found errors as follows:

- In two of the four domestic violence cases tested, the county's probation department did not distribute 2% of the State DNA Identification Fund (GC sections 76104.6 and 76104.7), Maddy Emergency Medical Services Fund (GC section 76000.5), or State Court Facilities Construction Fund (GC section 70372[a]) revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8).
- In two of the four domestic violence cases tested, the county's probation department did not distribute 2% of the Maddy Emergency Medical Services Fund (GC section 76000.5) revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8).

In two of the four health and safety cases tested, the county's probation department did not distribute 2% of the drug program fee (HSC section 11372.7), State's DNA Identification Fund (GC section 76104.6 and 76104.7), Maddy Emergency Medical Services Fund (GC section 76000.5), or State Court Facilities Construction Fund (GC section 70372[a]) revenues to the State Trial Court Improvement and Modernization Fund (GC section 68090.8).

We performed an analysis of the special account (PC section 1463.16), State's Restitution Fund (PC section 1463.18), drug program fee (HSC section 11372.7), State's DNA Identification Fund (GC sections 76104.6 and 76104.7), Maddy Emergency Medical Services Fund (GC section 76000.5), Emergency Medical Air Transportation and Children's Coverage Fund (GC section 76000.10[c]), and State Court Facilities Construction Fund (GC section 70372[a]) revenues collected by the county's probation department to determine the fiscal effect of the distribution errors. Upon completion of our analysis, we found that the errors did not have a material impact on the revenues remitted to the State.

As discussed in Finding 7 of our prior audit report dated June 30, 2020, the county's probation department did not properly distribute 2% of fines, penalties, and forfeitures to the State Trial Court Improvement and Modernization Fund. This is a repeat finding, as the county's probation department did not correct the errors noted in our prior audit report.

GC section 68090.8(b) requires the county treasurer, prior to making any other required distribution, to transmit 2% of all fines, penalties, and forfeitures collected in criminal cases to the State Trial Court Improvement and Modernization Fund to be used exclusively to pay the costs of automated systems for the trial courts.

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

Corrective action: The county probation department has corrected its accounting system to comply with statutory requirements.

**FINDING 6—
Incorrect
prioritization of
installment payments**

During our testing of court cases, we found that the court had incorrectly prioritized the distribution of installment payments. The error occurred because the court's CMS vendor incorrectly programmed the priority level for the domestic violence fees, and the error was not discovered during testing prior to system implementation.

We verified, on a sample basis, distributions made by the court using its CMS. For each sample case, we reviewed the distributions to determine whether the court had correctly prioritized the distributions of installment payments according to PC section 1203.1d, subparagraph (b). In one of the four cases tested, we found that the court's vendor had incorrectly programmed the domestic violence fee (PC section 1203.097) as a priority-three distribution instead of programming the fee as a priority-four distribution.

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

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 court ensure that all surcharges, fines, penalties, and fees are distributed in accordance with the statutory priority requirements.

Court's Response

The court has followed the recommendation and had the [CMS] vendor update assessment configuration for all payments, including installment payments, for the domestic violence fee. It was changed from a priority 3 disbursement to a priority 4. In addition, the CMS vendor identified five payments during the audit period with an incorrect priority distribution for this fee and the court corrected those payments.

Observation and Recommendation

**OBSERVATION—
Incorrect collection of
county parking
surcharges (repeat
observation)**

During our analysis of parking surcharges remitted to the county, we found that the City of Chowchilla had imposed and collected incorrect parking surcharges. The error occurred because the city was unaware of the statutory requirements relating to parking surcharges.

External parking agencies 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 collection reports, we found that the City of Chowchilla had incorrectly collected a total of \$12.50 in state and county parking surcharges on every parking violation instead of the required \$11.00.

The county paid in full the bonded indebtedness for court facilities. Therefore, entities in the county should not have collected \$2.50 for the county's Courthouse Construction Fund (GC section 76100). Instead, parking entities should have collected only \$1.00 for the Courthouse Construction Fund (GC section 76100). The \$1.00 should have then been deposited in the county's general fund in accordance with GC section 76000(c).

As discussed in Finding 9 of our prior audit report dated June 30, 2020, the City of Chowchilla did not properly collect state and county parking surcharges. This is a repeat observation, as the City of Chowchilla did not correct the errors noted in our prior audit report.

GC section 76000(b) requires each parking agency to pay the county treasurer \$2.50 for each fund established in accordance with GC section 76100 or 76101 for each parking violation.

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, upon the transfer of responsibility for court facilities from the county to the JCC, authority to impose the \$2.50 penalty from the county's Courthouse Construction Fund shall be reduced to \$1.00.

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

GC section 76000.3 requires that parking agencies pay 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 city 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 Madera County's corrective actions related to the findings contained in our prior audit report dated June 30, 2020.

Prior Audit Finding	Status
Finding 1— Incorrect calculation of 50% excess of qualified revenues	Not implemented – see Finding 1
Finding 2— Overremitted traffic violator school fees	Fully implemented
Finding 3— Unremitted parking surcharges and equipment violations – Madera County	Fully implemented
Finding 4— County's Probation Department underremitted health and safety violation revenues	Not implemented – see Finding 4
Finding 5— County's Probation Department underremitted State DNA penalties	Not implemented – see Finding 2
Finding 6— Underremitted parking surcharges and equipment violations – City of Madera	Fully implemented
Finding 7— County's Probation Department underremitted the 2% state automation fee	Not implemented – see Finding 5
Finding 8— County's Probation Department made incorrect distributions of domestic violence fees	Fully implemented
Finding 9— Incorrect collection of parking surcharges – City of Chowchilla	Not implemented – see Observation

**Attachment A—
Madera County's Response to Draft Audit Report**



David Richstone

AUDITOR-CONTROLLER

COUNTY OF MADERA

200 WEST 4TH ST., SUITE#2300, MADERA, CALIFORNIA 93637

559.675.7707 / FAX 559.661.3006

June 17, 2025

Lisa Kurokawa, Chief
Compliance Audits Bureau
State Controller's Office
PO Box 942850
Sacramento, CA 94250
lkurokawa@sco.ca.gov

Via Email

RE: Audit Report Court Revenues July 1, 2019, through June 30, 2023

Ms. Kurokawa,

Please find the attached responses from Madera County's Auditor Controller's Office to the State Controller's Office draft audit report, dated June 5, 2025. We have reviewed the report and are responding to the findings that address the County's collections and distributions.

Sincerely,

Victoria Cantu
Assistant-Auditor Controller
Madera County
(559) 675-7707 Ext. 2453
Victoria.cantu@maderacounty.com



AUDITOR-CONTROLLER

200 West Fourth Street* Madera, CA 93637*559.7707 MadCoServices.com*maderacounty.com



David Richstone

AUDITOR-CONTROLLER

COUNTY OF MADERA

200 WEST 4TH ST., SUITE#2300, MADERA, CALIFORNIA 93637

559.675.7707 / FAX 559.661.3006

Madera County

Audit Report

Court Revenues

July 1, 2019, through June 30, 2023

Madera County Responses

Finding 1 – Incorrect calculation of 50% excess of qualified revenues (repeat finding)

Corrective action: We agree with this finding and have made the recommended corrections on the 50% excess of qualified revenues calculation worksheet.

Finding 2 – Incorrect distribution of revenues from DNA identification penalties (repeat finding)

Correction: We agree with this finding and have made recommended corrections to remit \$18,361 to the State Treasury, and report on the TC-31 a decrease of \$13,952 to State's DNA Identification Fund 76104.6 and an increase of \$32,313 to the State's DNA Identification Fund 76104.7.

Corrective action: The county probation department has corrected their accounting system to comply with statutory requirements.

Finding 3 – Incorrect Remittances to the State (repeat finding)

Correction: We agree with this finding and have made recommended corrections to remit \$7,884 to the state, an increase of \$5,362 to PC section 1214.1 and an increase of \$2,522 to PC section 1463.15



AUDITOR-CONTROLLER

200 West Fourth Street* Madera, CA 93637*559.7707 MadCoServices.com*maderacounty.com



David Richstone

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COUNTY OF MADERA

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Finding 4 – Incorrect distribution of revenues from health and safety violations (repeat finding)

Correction: We agree with this finding and will remit \$2,518 to the State Treasurer.

Corrective action: The county probation department has corrected the distribution of base fine to comply with statutory requirements.

Finding 5 – Incorrect distributions to the State Trial Court Improvement and Modernization Fund (repeat finding)

Corrective action: The county probation department has corrected its accounting system to comply with statutory requirements.

Finding 6 – Incorrect priority of installment payments

Corrective action: This finding does not address the county. Response has been sent in by the court.

Sincerely,

David E. Richstone
Auditor-Controller
Madera County



AUDITOR-CONTROLLER

200 West Fourth Street* Madera, CA 93637*559.7707 MadCoServices.com*maderacounty.com

**Attachment B—
Superior Court of California, Madera County’s Response to
Draft Audit Report**



**SUPERIOR COURT OF CALIFORNIA
COUNTY OF MADERA**

COURT ADMINISTRATION
200 SOUTH G STREET
MADERA, CA 93637
(559) 416-5510

HON. DALE J. BLEA
PRESIDING JUDGE

HON. SOSI C. VOGT
ASST PRESIDING JUDGE

ADRIENNE Y. CALIP
COURT EXECUTIVE OFFICER

AMY DOWNEY
ASST COURT EXECUTIVE OFFICER

June 5, 2025

Lisa Kurokawa, Chief
Compliance Audits Bureau
State Controller's Office
PO Box 942850
Sacramento, CA 94250
lkurokawa@sco.ca.gov

Via Email

RE: Audit Report Court Revenues July 1, 2019 through June 30, 2023

Ms. Kurokawa,

Please find the attached responses from Madera Superior Court to the State Controller's Office draft audit report, dated June 2025. We have reviewed the report and are responding to the finding that addresses the Court's collections and distributions. The Court is specifically not responding to the findings which address the County's collections and distributions.

Please contact me if you have any questions regarding our response.

Sincerely,

Staci Martines

Staci Martines
Chief Financial Officer
Madera Superior Court
(559) 416-5515
Staci.martines@madera.courts.ca.gov

**Madera County
Audit Report
Court Revenues
July 1, 2019 through June 30, 2023**

COURT RESPONSES

Finding 1:
Incorrect calculation of 50% excess of qualified revenues (repeat finding)

Court's Response:

This finding does not address the court.

Finding 2:
Incorrect distribution of revenues from DNA identification penalties (repeat finding)

Court's Response:

This finding does not address the court.

Finding 3:
Incorrect Remittances to the State

Court's Response:

This finding does not address the court.

Finding 4:
Incorrect distribution of revenues from health and safety violations (repeat finding)

Court's Response:

This finding does not address the court.

Finding 5:
Incorrect distributions to the State Trial Court Improvement and Modernization Fund (repeat finding)

Court's Response:

This finding does not address the court.

Finding 6:
Incorrect priority of installment payments

Court's Response:

The court has followed the recommendation and had the case management system's vendor update assessment configuration for all payments, including installment payments, for the domestic violence fee. It was changed from a priority 3 disbursement to a priority 4. In addition, the CMS vendor identified five payments during the audit period with an incorrect priority distribution for this fee and the court corrected those payments.

**State Controller's Office
Division of Audits
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