AMENDMENT TO THE CALIFORNIA RULES OF COURT
Adopted by the Judicial Council on July 28, 2017, effective July 28, 2017

Rule 10.63. Advisory Committee on Audits and Financial Accountability and Efficiency for the Judicial Branch ................................................................. 2
Rule 10.63. Advisory Committee on Audits and Financial Accountability and Efficiency for the Judicial Branch

(a) Purpose of the rule

One of the most important functions of government is to ensure that public funds are properly spent and accounted for. This committee is charged with advising and assisting the council in performing its responsibilities to ensure that the fiscal affairs of the judicial branch are managed efficiently, effectively, and transparently, and in performing its specific responsibilities relating to audits and contracting, as required by law and good public policy.

(Subd (a) adopted effective July 28, 2017.)

(a)(b) Area of focus

The committee makes recommendations to the council on audits and practices that will promote financial accountability and efficiency in the judicial branch.

(Subd (b) amended and relettered effective July 28, 2017; adopted as subd (a).)

(b)(c) Additional duties

In addition to the duties specified in rule 10.34, the committee must:

(1) Make recommendations annually to the council concerning any budget change proposals for funding of the Administrative Office of the Courts (AOC) and any proposed changes to the annual compensation plan for the AOC staff;

(2) Review and approve a yearly audit plan for the judicial branch that will ensure the adequacy and effectiveness of the judicial branch’s accounting, financial reporting, compliance, and internal control system; review all audit reports of the judicial branch; recommend council acceptance of action on audit reports that identify substantial issues; approve all other audit reports and have them posted publicly; and, where appropriate, make recommendations to the council on individual or systemic issues identified in audit reports;

(2) Advise and assist the council in performing its responsibilities and exercising its authority under Government Code sections 77009 and 77206 and under part 2.5 of the Public Contract Code (commencing with section 19201; the California Judicial Branch Contract Law);
(3) Report to the council on AOC contracts that meet established criteria to ensure that the contracts are in support of judicial branch policy; and

(4)(3) Review and recommend to the council proposed updates and revisions to the Judicial Branch Contracting Manual; and

(4) Make recommendations concerning any proposed changes to the annual compensation plan for Judicial Council staff.

(Subd (c) amended and relettered effective July 28, 2017; adopted as subd (b).)

(e)(d) Membership

The committee may include members with experience in public or judicial branch finance and must include at least one member from each of the following categories:

(1) Justices of the Courts of Appeal; appellate court justices;

(2) Judges of the superior courts;

(3) Clerk/executive officers of the Courts of Appeal; and

(3)(4) Court executive officers of the superior courts.

The committee membership must also include at least one nonvoting advisory member who has significant governmental auditing experience.

The California Judges Association will recommend three nominees for a superior court judge position and submit its recommendations to the Executive and Planning Committee of the Judicial Council.

(Subd (d) amended and relettered effective July 28, 2017; adopted as subd (c).)


Advisory Committee Comment

The purpose of the Advisory Committee on Audits and Financial Accountability and Efficiency for the Judicial Branch is to advise and assist the council in performing its constitutional and statutory responsibilities relating to the fiscal affairs of the judicial branch. To improve the administration of the courts, article VI, section 6 of the California Constitution requires the
council to survey judicial business and make recommendations. To ensure that the fiscal affairs of
the courts are managed efficiently, effectively, and responsibly, Government Code section 77206
authorizes the council to regulate the fiscal management of the courts and provides for audits of
the courts and Judicial Council staff by the council, its representatives, and other entities.
Government Code section 77009(h) provides that the “Judicial Council or its representatives may
perform audits, reviews, and investigations of superior court operations and records wherever
they may be located.” The Public Contract Code provides that the council shall publish a Judicial
Branch Contracting Manual (Pub. Contract Code, § 19206). It also provides that the California
State Auditor, subject to appropriations, shall biennially identify and audit five or more judicial
branch entities to assess the implementation of the California Judicial Branch Contract Law
(JBCL) (Pub. Contract Code, § 19210(a), (b)) and shall biennially conduct audits of Judicial
Council staff to assess the implementation of, and compliance with, the JBCL (Pub. Contract
Code, § 19210(c)). Promote transparency, accountability, efficiency, and understanding of the
AOC and the judicial branch. The advisory committee fosters the best use of the work,
information, and recommendations provided by the AOC, and it promotes increased
understanding of the AOC’s mission, responsibilities, accomplishments, and challenges.