



# Semiannual Report on Contracts for the Judicial Branch for the Reporting Period of July 1 Through December 31, 2016

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REPORT TO THE JOINT LEGISLATIVE  
BUDGET COMMITTEE AND THE STATE  
AUDITOR AS REQUIRED BY PUBLIC  
CONTRACT CODE SECTION 19209

February 1, 2017



JUDICIAL COUNCIL  
OF CALIFORNIA

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***Semiannual Report on Contracts for the Judicial Branch for the  
Reporting Period of July 1 Through December 31, 2016:***  
**Report to the Joint Legislative Budget Committee and the State Auditor  
as required by Public Contract Code section 19209**

**February 1, 2017**

## Introduction

The Judicial Council submits this report to the Joint Legislative Budget Committee and the California State Auditor under Public Contract Code section 19209 to provide information related to procurement of contracts for the judicial branch. The report includes a list of vendors and contractors as required by Public Contract Code section 19209(b). The report further identifies the amounts of payment(s) to the contractors and vendors, the types of services and goods provided, and the judicial branch entity or entities with which the contractors and vendors contracted to provide those goods and services. The report summary also includes a list of all amended contracts as required by Public Contract Code section 19209(c), identifying the vendors, contractors, and types of services and goods provided under the contract, including any changes to the contract value, type of services or goods, or contract. Judicial branch entities are the Supreme Court, Courts of Appeal, superior courts, Habeas Corpus Resource Center (HCRC), and Judicial Council.

Because the operative date of the Judicial Branch Contract Law (JBCL) was October 1, 2011, only contracts entered into or amended after that date are included in this report. Generally the report is developed on a semiannual basis, covering the six-month periods from January 1 through June 30 and July 1 through December 31. This report covers the period from July 1 through December 31, 2016.

### **Contracts excluded from the report**

Public Contract Code section 19204(c) provides that the JBCL “does not apply to procurement and contracting by judicial branch entities that are related to trial court construction, including, but not limited to, the planning, design, construction, rehabilitation, renovation, replacement, lease, or acquisition of trial court facilities.” This section also states that the JBCL “shall apply to contracts for maintenance of all judicial branch facilities that are not under the operation and management of the Department of General Services.” Appropriate exclusions and inclusions based on the above subsections have been made in this report.

Also excluded from the report are the following contracts that are unique to the superior courts and are not subject to the JBCL:

- Contracts (often referred to as memoranda of understanding, or MOUs) between a superior court and the sheriff for court security services
- Contracts between a court and a court reporter, when the court reporter provides services as an independent contractor

- Contracts between a court and a court interpreter, when the court interpreter provides services as an independent contractor

### **Other reporting features**

The *Trial Court Contract Report* provides a summary of contract activity during the reporting period for each contract on a single line.

### **Format of the report**

The Judicial Council's Branch Accounting and Procurement division is responsible for preparing this report. The portion of the report that relates to the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council is extracted from the Oracle Financial System. The information that relates to the superior courts is extracted from the Phoenix Financial System. Because two different information management systems are used, the format and data elements of various portions of the report differ. The four portions of the report are listed below.

- Superior courts:
  1. *Trial Court Contract Report*
  2. *Trial Court Payment Report*
- Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council:
  1. *Contract Amendment Report*
  2. *Payment Report*

Table 1 explains the differences in the format of the reports and describes the data elements.

**Table 1. Judicial Branch Contract Reports: Comparison of Required Data Elements With Actual Reports to Report Under Public Contract Code Section 19209**

Report	Required to be Reported by Statute	Data Element Column Heading	
		Superior Court Reports	Supreme Court, COA,* HCRC,* and JC* Reports
<b>Payment Report</b>	Vendors and contractors receiving any payment. Report each distinct contract between the vendor or contractor and a judicial branch entity. Identify the: 1. Amount of payment to the contractor or vendor; 2. Type of service or good provided; and 3. Judicial branch entity (JBE) or entities with which the vendor or contractor was contracted to provide that service or good.	Vendor Name Vendor ID Contract Number Total Payments Goods/ Services JBE	Vendor Name PO/Contract Amount Payment Summary Entity Name
<b>Contract and Contract Amendment Report</b>	For all contract amendments made, identify: 1. Vendor or contractor; 2. Type of service or good provided under the contract; 3. Nature of the amendment; 4. Duration of the amendment; and 5. Cost of the amendment.	Court Contract Vendor ID Vendor Name Last Reported Contract Value Contract Value (New) Contract Value (Changed) Goods/Services (New) Goods/Services (Changed) Contract Duration (New) Contract Duration (Changed) Total Contract Duration	Entity Amendment Number Contract Number Vendor Name Type of Goods/ Service Description Nature of Amendment Duration (months) Cost of Amendment

\* COA = Court of Appeal; HCRC = Habeas Corpus Resource Center; JC = Judicial Council.

This semiannual report includes all the information required by statute. Portions of the report related to the superior courts contain items of information (vendor ID), as listed above, that are not required for the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council.

The superior court information also includes contracts and contract amendments that were entered into during the reporting period, even if no payments were made. This is additional information not required by the JBCL. The portion of the report related to the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council does not include contracts for which no payment was made during the reporting period. The superior court report consolidates all payments to a vendor or contractor under one contract as one payment for the reporting period.

## Statistics

On the following pages, a series of tables provides statistical information for the July 1 through December 31, 2016, reporting period. Note that some tables may include totals that may not equal 100 percent, due to rounding.

- **Table 2.** Overall Contract and Payment Statistics
- **Table 3.** Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council Payment Statistics Summary
- **Table 4.** Trial Court Payment Statistics, Goods and Services Detail Summary

Because of their size, the detailed reports, including any explanatory footnotes, are posted separately for access and review. They are:

1. Superior court reports, from July 1 through December 31, 2016
  - a. *Trial Court Contract Report*
  - b. *Trial Court Payment Report*
2. Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council reports, from July 1 through December 31, 2016
  - a. *Contract Amendment Report*
  - b. *Payment Report*

Table 2 provides an overall summary of contracts and payments for the reporting period.

**Table 2. Overall Contract and Payment Statistics, July 1 through December 31, 2016**

	Superior Courts	Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council
<b>Payments:</b>		
Number	17,483	1,847
Dollar amount	\$ 202,747,029	\$ 198,544,581
Number of associated contracts	8,370	2,722
<b>Contracts:</b>		
Original contracts	5,056	*
Value of original contracts	\$ 144,236,825	*
Contracts with amendments	1,452	276
Cost of amendments	\$ 45,044,816**	\$ 178,645,895
* Includes only contracts with amendments as required by statute.		
** Includes increases and decreases to contract value, such as changes in contract scope.		

As described below in table 3, a total of \$198,544,581 was paid to vendors by the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council.

**Table 3. Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council Payment Statistics Summary, July 1 through December 31, 2016**

	Payments
<b>Supreme Court</b>	\$ 3,901,259
<b>Courts of Appeal:</b>	
<b>1st District</b>	1,523,138
<b>2nd District</b>	3,548,766
<b>3rd District</b>	1,312,699
<b>4th District</b>	4,269,147
<b>5th District</b>	1,629,751
<b>6th District</b>	1,693,169
<b>Judicial Council</b>	180,101,189
<b>Habeas Corpus Resource Center</b>	565,462
<b>TOTAL</b>	<b>\$ 198,544,581</b>

Table 4 below, provides a summary of all payments for goods and services by the trial courts during this reporting period. The table shows 17,483 payments representing nearly \$203 million associated with more than 8,370 contracts.

**Table 4. Trial Court Payment Statistics, Goods, and Services Detail Summary, July 1 through December 31, 2016**

Goods and Services	Payments	Values	Contracts
Advertising	149	210,821.23	64
Banking and Investment Services	12	22,876.81	2
Collection Services	93	8,238,143.71	46
Consulting Services—Temp	91	1,497,502.47	78
Consulting/Professional Services	10	228,404.85	8
Contracted Services	79	1,175,255.10	50
County-Provided Services	184	16,595,206.92	154
Court-Appointed Counsel	490	22,202,084.26	157
Court Interpreter Services	2,648	11,499,704.08	267
Court-Ordered Professional	1,013	5,655,044.41	614
Court Reporter Services	320	2,980,093.98	15
Court Transcripts	1,891	9,025,460.74	24
Dues and Memberships	109	138,806.65	12
Employee Relocation	1	100.00	
Equipment Maintenance	240	1,223,161.09	193
Equipment Rental/Lease	225	2,943,689.59	171
Equipment Repairs	109	170,032.71	84
Fees/Permits	140	2,135,608.56	51

<b>Goods and Services</b>	<b>Payments</b>	<b>Values</b>	<b>Contracts</b>
Freight and Drayage	19	1,722.68	9
General Consultant	799	18,024,381.55	439
General Expense	10	55,167.88	2
General Expense—Service	338	2,704,936.08	217
Grounds	29	160,294.65	20
Information Technology	4	381,822.02	3
Insurance	107	994,318.37	28
Investigative Services	154	406,833.96	52
IT Commercial Contract	223	8,957,104.64	187
IT Interjurisdictional	15	567,886.34	11
IT Maintenance	415	8,771,499.58	352
IT Other	35	336,167.18	21
IT Repairs/Supplies/License	463	6,802,201.51	360
Janitorial	168	6,139,144.95	116
Juror Costs	30	29,247.37	6
Laboratory Expense	45	45,325.15	11
Legal	133	1,822,493.22	90
Library Purchases and Subscriptions	459	3,774,375.00	256
Maintenance and Supplies	198	3,324,966.58	153
Major Equipment	102	6,385,634.42	98
Mediators/Arbitrators	265	1,317,466.78	51
Meetings, Conferences, Exhibits	132	192,462.53	33
Minor Equipment—Under \$5k	1,167	15,145,349.70	1,065
Office Expense	1,866	4,229,773.69	1,520
Other Contract Services	58	1,373,872.53	38
Other Facility Costs—Goods	99	114,350.38	72
Other Facility Costs—Services	75	160,586.79	53
Other Items of Expense	13	99,845.11	10
Other Travel Expenses	14	2,029.00	2
Other—Special Items of Expense	2	1,800.00	1
Photography	9	55,192.96	4
Postage	20	505,032.71	7
Postage Meter	53	1,031,241.22	32
Printing	405	3,004,919.40	302
Rent/Lease	98	2,168,467.40	65
Security	117	6,107,384.88	77
Sheriff	352	1,065,466.51	22
Stamps, Stamped Envelopes	224	2,681,082.34	108
Telecommunications	563	6,860,607.46	358
Training	268	651,183.58	73
Uniform Allowance	5	3,512.07	4
Vehicle Operations	128	347,881.82	52
<b>Grand Total</b>	<b>17,483</b>	<b>202,747,029.15</b>	<b>8,370</b>

## Report Information

### Superior courts

#### 1. *Trial Court Contract Report*

The Phoenix Financial System is not configured to collect information about contracts in a manner that precisely matches the statutory reporting requirements. Below are some key factors to consider when reviewing the contract data related to the superior courts.

- The *Trial Court Contract Report* includes all contracts and amendments completed within the reporting period because including all contracts is more cost-effective than developing a report that includes distinct contracts for only the vendors who received more than one payment in the reporting period. *Vendor* is used synonymously with *contractor* in the report.
- Goods/Services descriptions are determined by the general ledger account(s) entered in the system.
- The only amendment descriptions that can be reported are changes in the overall value or duration of an agreement, or changes in the goods/services provided.
- The Phoenix Financial System cannot distinguish between a true amendment and an error correction. Screens were built to allow superior courts to review transactions included in the report and exclude changes that were error corrections. This design feature affects the accuracy of the data based on a court's ability/availability to review its transactions.

Table 5 contains a list of the report fields and their descriptions.

**Table 5. *Trial Court Contract Report* Field Names and Descriptions**

Field Name	Field Description
<b>Court</b>	Judicial Branch Entity, specifically name of the superior court with the associated contract.
<b>Contract</b>	Unique identifier for the contract; can be system generated or a court-specific number.
<b>Vendor ID</b>	Unique identifier for the vendor; can be system generated or a court-specific vendor identifier.
<b>Vendor Name</b>	Name of the vendor.
<b>Last Reported Contract Value</b>	The most recently reported contract value, when the transaction record is for a contract that has been previously reported. Only contracts created or amended after January 1, 2012, have been reported.
<b>Contract Value (New)</b>	Known or estimated original contract value, when the transaction record is for a new contract.

Field Name	Field Description
<b>Contract Value (Changed)</b>	The increase or decrease to the contract value, if the contract value changed within the reporting period, which may occur in the same reporting period as a new contract.
<b>Goods/Services (New)</b>	A description of the goods/services based on the general ledger accounts associated with the contract, when the transaction record is for an original contract. <b>The goods/services are rolled up from subaccounts, so descriptions may appear to be duplicates but are actually separate subaccounts in the rolled-up category.</b>
<b>Goods/Services (Changed)</b>	A description of the changed goods/services based on the general ledger accounts associated with the contract, when the transaction record refers to an amendment to the goods/services. <b>The goods/services are rolled up from subaccounts, so descriptions may appear to be duplicates but are actually separate subaccounts in the rolled-up category.</b>
<b>Contract Duration (New)</b>	When the transaction record is for an original contract, the original contract duration, represented in months or a fraction thereof.
<b>Contract Duration (Changed)</b>	When the transaction record refers to an amendment to the current contract duration, the increase or decrease to the contract duration, represented in months or a fraction thereof.
<b>Total Contract Duration</b>	The total contract duration, including cumulative changes to the original contract duration, represented in months or a fraction thereof.

## 2. Trial Court Payment Report

Below are some key factors to consider when reviewing the payment data.

- Goods/Services descriptions are determined by the general ledger account(s) entered in the system.
- A single payment may have multiple lines of data in the file if the payment is for multiple goods/services. Simple sorting by contract number keeps these records together. They can also be sorted by court (JBE) or by vendor.

Table 6 contains a list of the report fields and their descriptions.

**Table 6. Trial Court Payment Report Field Names and Descriptions**

Field Name	Field Description
<b>JBE</b>	Name of the superior court making the payment.
<b>Contract Number</b>	Unique identifier for the contract under which the payment was made. If the payment was not associated with a contract, this field will be blank.
<b>Goods/Services</b>	Description of the goods/services based on the general ledger account associated with the payment. The goods/services are rolled up from subaccounts, so descriptions may appear to be duplicates but are actually separate subaccounts in the rolled-up category.
<b>Vendor ID</b>	Unique identifier for the vendor.
<b>Vendor Name</b>	Name of the vendor.

Field Name	Field Description
<b>Total Payments</b>	Total payments to a vendor, reported by court, contract, and goods/services under the contract. Data can be sorted in various ways to obtain totals by court, vendor, contract, goods/services, etc.

**Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council**

Contract and payment information concerning active litigation on capital cases is not reported at the request of the Habeas Corpus Resource Center under statutory and work-product principles.

1. *Contract Amendment Report*

Exclusions and explanations in the *Contract Amendment Report* follow:

- Schedule changes that constitute amendments to a contract indicate the cost of amendment as “0.00,” “n/a,” or “not applicable” because no additional cost was involved.
- “Change of cost and schedule of the work” has an associated cost. Cost changes result from any number of reasons, and there is no specificity for this data element in the Oracle Financial System. Further details related to the basis for the cost change require review of the individual contract.

2. *Payment Report*

Payments extracted from the Oracle Financial System were reviewed to determine whether they were contractual payments. Any payment types considered “noncontractual items” are excluded from the reporting, including:

- Payroll and other payments to state employees and judicial officers and the related benefits payments;
- Assigned judges’ compensation;
- Appellate court-appointed counsel panel attorney compensation claims (paid on court order);
- Most utilities;
- Postage;
- Travel reimbursements;
- Settlement charges; and
- Trial court allocations.

Some of the above payment types, such as utilities, postage, and travel reimbursements, may be included in the superior court reports.

## Attachments

Because of their size, the following attachments, including any explanatory footnotes, are posted separately for access and review:

1. Superior court reports, from July 1 through December 31, 2016:
  - a. *Trial Court Contract Report*
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2. Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, and Judicial Council reports, from July 1 through December 31, 2016:
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