

# MARIPOSA COUNTY

Audit Report

## COURT REVENUES

*July 1, 2017, through June 30, 2021*



**MALIA M. COHEN**  
California State Controller

January 2024



MALIA M. COHEN  
CALIFORNIA STATE CONTROLLER

January 12, 2024

Luis Mercado, Auditor  
Mariposa County  
P.O. Box 729  
Mariposa, CA 95338

Desire Leard, Court Executive Officer  
Superior Court of California,  
Mariposa County  
P.O. Box 316  
Mariposa, CA 95338

Dear Mr. Mercado and Ms. Leard:

The State Controller's Office (SCO) audited Mariposa County's court revenues for the period of July 1, 2017, through June 30, 2021.

Our audit found that the county underremitted \$8,839 in state court revenues because it underremitted the State Trial Court Improvement and Modernization Fund (Government Code section 77205) by \$8,839.

In addition, we found that the Superior Court of California, Mariposa County made incorrect distributions related to fish and game and red-light violations, and the prioritization of installment payments. Furthermore, the county's probation department made incorrect distributions related to DUI, domestic violence, and health and safety violations.

The county should remit \$8,839 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, 2017, through June 30, 2021.

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 at [https://www.sco.ca.gov/ard\\_trialcourt\\_manual\\_guidelines.html](https://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 and applicable entities in accordance with Government Code sections 68085, 70353, and 70377.

Mr. Luis Mercado  
Ms. Desire Leard  
January 12, 2024  
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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 questions regarding payments, TC-31s, or interest and penalties, please contact Jennifer Montecinos, Manager, Tax Administration Section, by telephone at (916) 324-5961, or by email at [lgpsdtaxaccounting@sco.ca.gov](mailto:lgpsdtaxaccounting@sco.ca.gov).

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

Sincerely,

*Original signed by*

KIMBERLY TARVIN, CPA  
Chief, Division of Audits

KT/am

cc: Miles Menetrey, Chair  
Mariposa County Board of Supervisors  
Matt Espenshade, Principal Manager  
Internal 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

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# Audit Report

## Summary

The State Controller's Office (SCO) performed an audit to determine the propriety of court revenues remitted to the State of California by Mariposa County on the Report to State Controller of Remittance to State Treasurer (TC-31) for the period of July 1, 2017, through June 30, 2021.

Our audit found that the county underremitted \$8,839 in state court revenues because it underremitted the State Trial Court Improvement and Modernization Fund (Government Code [GC] section 77205) by \$8,839.

In addition, we found that the Superior Court of California, Mariposa County made incorrect distributions related to fish and game and red-light violations, and the prioritization of installment payments. Furthermore, the county's probation department made incorrect distributions related to DUI, domestic violence, and health and safety violations.

## 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.

The audit period was July 1, 2017, through June 30, 2021.

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 the MOE calculation.
- We interviewed court personnel regarding the revenue distribution process and the case management system.
- 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 case management system 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% 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. No errors were identified.

- 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 39 cases for nine 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 the county.

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

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 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 \$8,839 in state court revenues was underremitted to the State Treasurer because the county underremitted the State Trial Court Improvement and Modernization Fund (GC section 77205) by \$8,839.

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

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

The county should remit \$8,839 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, 2008, through June 30, 2015, issued June 30, 2017, with the exception of Finding 5 of this audit report.

**Views of  
Responsible  
Officials**

We issued a draft audit report on October 27, 2023. The county's representative responded by letter dated November 3, 2023, agreeing with Finding 1, but not responding to Findings 5 through 7. The court's representative responded by letter dated November 3, 2023, agreeing with Findings 2 through 4. This final audit report includes the county's 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 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](http://www.sco.ca.gov)

*Original signed by*

KIMBERLY TARVIN, CPA  
Chief, Division of Audits

January 12, 2024



**Schedule—  
Summary of Audit Findings Affecting Remittances to the State Treasurer  
July 1, 2017, through June 30, 2021**

Finding <sup>1</sup>	Fiscal Year				Total	Reference <sup>2</sup>
	2017-18	2018-19	2019-20	2020-21		
Underremitted 50% excess of qualified revenues State Trial Court Improvement and Modernization Fund – GC §77205	\$ 1,797	\$ 2,364	\$ 2,567	\$ 2,111	\$ 8,839	Finding 1
Total amount underremitted to the State Treasurer	<u>\$ 1,797</u>	<u>\$ 2,364</u>	<u>\$ 2,567</u>	<u>\$ 2,111</u>	<u>\$ 8,839</u>	

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

<sup>2</sup>See the Findings and Recommendations section.

# Findings and Recommendations

**FINDING 1—  
Underremitted the  
50% excess of  
qualified revenues**

During our recalculation of the 50% excess of qualified revenues, we found that the county used incorrect qualified revenue amounts in its calculation for each fiscal year. These errors resulted in the county underremitting the 50% excess of qualified revenues by \$8,839 during the audit period. 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 provided by the court and the county’s probation department.

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 net qualified revenues by \$17,677 for the audit period.

The county understated net qualified revenues for the following reasons:

- It incorrectly included 100% of the revenues collected for the County Courthouse Construction Fund (\$1 per traffic violator school [TVS] case) (GC section 76100) and the County Criminal Justice Facilities Construction Fund (\$1 per TVS case) (GC section 76101) instead of including only 77% in its calculation of the TVS fee (Vehicle Code [VC] section 42007) line item, resulting in an overstatement of \$975.
- It incorrectly excluded revenues collected for the Emergency Medical Services Fund (GC section 76104) on TVS cases from its calculation of the TVS fee (VC section 42007) line item, resulting in an understatement of \$18,652.

The following table shows the audit adjustments to qualified revenues:

	Fiscal Year				Totals
	2017-18	2017-18	2019-20	2020-21	
Qualified revenues reported	\$ 201,982	\$ 224,008	\$ 215,422	\$ 170,537	\$ 811,949
Audit adjustments:					
VC section 42007 overstatement	(219)	(277)	(266)	(213)	(975)
GC section 76104 understatement	3,813	5,005	5,399	4,435	18,652
Total	3,594	4,728	5,133	4,222	17,677
Adjusted qualified revenues	\$ 205,576	\$ 228,736	\$ 220,555	\$ 174,759	\$ 829,626

As a result of miscalculating the qualified revenues, the county underremitted the 50% excess of qualified revenues by \$8,839 for the audit period.

The following table shows the excess qualified revenues, and—by comparing the 50% excess amount due to the State to the county’s actual remittances—the county’s underremittance to the State Treasurer.

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 <sup>1</sup>
2017-18	\$ 205,576	\$ 135,457	\$ 70,119	\$ 35,060	\$ 33,263	\$ 1,797
2018-19	228,736	135,457	93,279	46,640	44,276	2,364
2019-20	220,555	135,457	85,098	42,549	39,982	2,567
2020-21	174,759	135,457	39,302	19,651	17,540	2,111
Total						\$ 8,839

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

GC section 77205(a) 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 (FY) 1998-99, and each fiscal year thereafter, to the State Trial Court Improvement and Modernization Fund.

Recommendation

We recommend that the county:

- Remit \$8,839 to the State Treasurer and report on the TC-31 form an increase to the State Trial Court Improvement and Modernization Fund; and
- Ensure that the proper accounts are included in the calculations of each line item on the 50-50 Excess Split Revenue Computation Form.

County’s Response

The county agrees with the audit finding. Our plan of action is to ensure the proper accounts are included in the calculations of each line item on the 50-50 Excess Split Revenue Computation form.

**FINDING 2—  
Incorrect  
distributions to the  
State Trial Court  
Improvement and  
Modernization Fund**

During our testing of fish and game cases, we found that the court did not properly distribute revenues to the State Trial Court Improvement and Modernization Fund (2% automation – GC section 68090.8). The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its case management system.

We verified, on a sample basis, distributions made by the court using its case management system. For each sample case, we recomputed the distributions and compared them to the actual distributions. In three of the four cases tested, we found that the court had not properly distributed 2% of the Fish and Game Preservation Fund (Fish and Game Code section 12021) revenues to the State Trial Court Modernization and Improvement Fund (GC section 68090.8).

We performed an analysis of the Fish and Game Preservation Fund (Fish and Game Code section 12021) revenues collected by the court 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.

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 court:

- Correct its case management system 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

The court agrees with the State Controller's Office finding and recommendation and has already updated its case management system to correct the distribution in accordance with the statutory requirements. The court will also be periodically verifying its distributions as suggested.

### **FINDING 3— Incorrect distribution of revenues from red- light violations**

During our testing of red-light violation cases, we found that the court did not properly distribute the related revenues. The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its case management system.

We verified, on a sample basis, distributions made by the court using its case management system. For each sample case, we recomputed the distributions and compared them to the actual distributions.

Of the four cases tested, we found the following errors:

- For a FY 2020-21 case, the court did not distribute 30% of the Emergency Medical Air Transportation and Children's Coverage Fund (GC section 76000.10[c]) revenues to the red-light allocation fund (Penal Code [PC] section 1463.11).
- For a FY 2020-21 case, the red-light allocation fund (PC section 1463.11) revenues were understated and the State Trial Court Modernization and Improvement Fund (GC section 68090.8) revenues were overstated.

We performed an analysis of the red-light allocation fund (PC section 1463.11) revenues collected by the court 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.

PC section 1463.11(a) requires that the first 30% of red-light violation base fines, state penalties, county penalties, and the emergency medical air transportation penalty (PC sections 1463 and 1464, and GC sections 76100 and 76000.10, respectively) collected be distributed to the general fund of the county or city where the violation occurred.

#### Recommendation

We recommend that the court:

- Correct its case management system 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

The court agrees with the State Controller's Office finding and recommendation and has already updated its case management system to correct the distribution in accordance with the statutory requirements. The court will also be periodically verifying its distributions as suggested.

#### **FINDING 4— Incorrect priority of installment payments**

During our testing of court cases, we found that the court did not properly distribute revenues in accordance with the order of priority stated in PC section 1203.1d, subparagraph (b). The error occurred because the court misinterpreted the *Distribution Guidelines* and incorrectly configured its case management system.

We verified, on a sample basis, distributions made by the court using its case management system. For each sample case, we recomputed the distributions and compared them to the actual distributions.

In all four of the cases tested, we found that the court had incorrectly assigned the same distribution priority to the 20% state surcharge (PC section 1465.7), fines, penalty assessments, restitution fines (PC section 1202.4[b]), and other reimbursable costs. The court should have programmed the 20% state surcharge (PC section 1465.7) as a priority-two distribution; programmed the fines, penalty assessments, restitution fines (PC section 1202.4[b]) as priority-three distributions; and programmed the other reimbursable costs as priority-four distributions.

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 correct its case management system to ensure that all surcharges, fines, penalties, and fees are distributed in accordance with the statutory priority requirements of PC section 1203.1d, subparagraph (b).

#### Court's Response

The court agrees, the courts prior legacy case management system was not capable of setting up the priority installments as required. The court has transitioned to a new case management system. The court has implemented the recommendations set forth by the State Controller's Office to ensure the payments that are distributed are in accordance with the statutory priority requirements.

#### **FINDING 5— Incorrect distribution of revenues from DUI violations (repeat finding)**

During our testing of DUI violation cases, we found that the county's probation department did not properly distribute the related revenues. The error occurred because the county's probation department misinterpreted the *Distribution Guidelines* and incorrectly configured its case management system.

We verified, on a sample basis, distributions made by the county's probation department using its case management system. For each sample case, we recomputed the distributions and compared them to the actual distributions.

In the four cases tested, we found the following errors:

- For a FY 2017-18 case, revenues for two county special accounts (PC section 1463.14[a] and 1463.16[a]) and for the State Restitution Fund (PC section 1463.18) were understated; and revenues for county base fines (PC section 1463.001) were overstated.
- For a FY 2017-18 case, revenues for the Emergency Medical Air Transportation and Children's Coverage Fund (GC section 76000.10[c]), the State Court Facilities Construction Fund (GC section 70372[a]), the Court Operations Assessment (PC section 1465.8), and the State Trial Court Modernization and Improvement Fund (GC section 68090.8) were understated; and revenues for the State Court Facilities Construction Fund (GC section 70373) were overstated.
- For a FY 2020-21 case, revenues for the Emergency Medical Air Transportation and Children's Coverage Fund (GC section 76000.10[c]), the State Court Facilities Construction Fund (GC section 70372[a]), the Court Operations Assessment (PC section 1465.8), the State Court Facilities Construction Fund (GC

section 70373), and the State Trial Court Modernization and Improvement Fund (GC section 68090.8) were understated.

We performed an analysis of the State Restitution Fund (PC section 1463.18) 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 3 of our prior audit report dated June 30, 2017, the county's probation department did not assess the correct amount for the State Court Facilities Construction Fund. This is a repeat finding, as the probation department did not correct the distribution errors noted in our prior audit report.

PC section 1463.14(a) requires \$50 of each fine collected for each conviction of a violation of VC sections 23103 through 23105, 23152, and 23153 to be deposited in a special account, to be used exclusively to pay for drug and alcohol testing.

PC section 1463.16(a) requires that, for each conviction of a violation of Vehicle Code sections related to DUI and reckless driving, \$50 of each fine collected be deposited in a special account for exclusive allocation by the county to provide alcohol programs and services for the general population.

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

PC section 1465.8 requires that, to assist in funding court operations, a \$40 assessment be imposed on every conviction for a criminal offense, including traffic offenses but excluding parking offenses, related to violations of the Vehicle Code.

GC section 70373(a)(1) requires that, to provide adequate funding for court facilities, an assessment be imposed on every conviction for a criminal offense, including traffic offenses but excluding parking offenses, related to violations of the Vehicle Code. GC section 70373(a)(1) specifies a \$30 assessment for each misdemeanor or felony and a \$35 assessment for each infraction.

GC section 76000.10(c) requires a penalty of \$4 to be imposed on every conviction for a violation of the Vehicle Code except for parking offenses.

GC section 70372(a) requires the courts to levy a penalty of \$5 for every \$10 (or fraction thereof) upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses.

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 case management system 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.

**FINDING 6—  
Improper amount  
collected for the  
domestic violence fee**

During our testing of domestic violence violation cases, we found that the county's probation department did not collect the proper amount for the domestic violence fee. The error occurred because the court did not order the statutorily required \$500 domestic violence fee.

We verified, on a sample basis, distributions made by the county's probation department using its case management system. 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 imposed a domestic violence fee of \$400 instead of the required \$500.

We did not determine the effect of the error because it cannot be reversed, as the county's probation department cannot retroactively pursue collection from defendants.

PC section 1203.097(a)(5)(A) requires defendants to pay a minimum domestic violence fee of \$500.

Recommendation

We recommend that the county's probation department and the court work together to ensure that the statutorily required \$500 domestic violence fee is assessed and collected.

**FINDING 7—  
Incorrect distribution  
of revenues from  
health and safety  
violations**

During our testing of health and safety violation cases, we found that the county's probation department did not properly distribute the related revenues. The error occurred because the county's probation department misinterpreted the *Distribution Guidelines* and incorrectly configured its case management system.

We verified, on a sample basis, distributions made by the department using its case management system. For each sample case, we recomputed the distributions and compared them to the actual distributions.

In two of the four cases tested, we found that the county's probation department had incorrectly assessed \$3 for every \$10 of base fine for the State DNA Identification Fund (GC section 76104.7) instead of assessing the required \$4 for every \$10 of base fine. In addition, the county's probation department did not consistently program the criminal laboratory analysis fee (Health and Safety Code [HSC] section 11372.5) as a fine subject to State and county penalty assessments and the 20% state



surcharge. The county's probation department also did not properly distribute 2% of the criminal laboratory analysis fee (HSC section 11372.5) and drug program fee (HSC section 11372.7) to the State Trial Court Modernization and Improvement Fund (GC section 68090.8).

We did not determine the effect of the error because it cannot be reversed, as the department cannot retroactively pursue collection from defendants or recalculate the base fine enhancements.

GC section 76104.7(a) requires the courts to levy a penalty of \$4 for every \$10 (or fraction thereof) upon every fine, penalty, or forfeiture imposed and collected by the courts for all criminal offenses.

HSC section 11372.5(a) requires defendants convicted of violating specific Health and Safety Code sections regulating controlled substances to pay a \$50 criminal laboratory analysis fee for each separate offense, and requires the court to increase the total fine as necessary to include the increment.

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

## Appendix— Summary of Prior Audit Findings

The following table shows the implementation status of Mariposa County's corrective actions related to the findings contained in our prior audit report dated June 30, 2017.

Prior Audit Finding Number	Prior Audit Finding Title	Status
1	Overremitted excess of qualified fines, fees, and penalties	Fully implemented
2	Underremitted State Court Facilities Construction Fund – Immediate and Critical Needs Account – Superior Court	Fully implemented
3	Underremitted State Court Facilities Construction Fund – Immediate and Critical Needs Account – Probation Department	Not implemented – see current Finding 5

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

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MARIPOSA COUNTY AUDITOR  
POST OFFICE BOX 729  
4982 10<sup>TH</sup> STREET  
MARIPOSA, CALIFORNIA 95338

Luis Mercado, County Auditor  
Cierra Mendoza, Accounting Tech III



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November 3, 2023

Lisa Kurokawa, Chief  
Compliance Audits Bureau  
Division of Audits  
State Controller's Office  
Post Office Box 942850  
Sacramento, CA 94250

Dear Ms. Kurokawa,

This letter is to acknowledge and address the audit finding regarding the State Trial Court Improvement and Modernization Fund, Government code section 77205. The county agrees with the audit finding. Our plan of action is to ensure the proper accounts are included in the calculations of each line item on the 50-50 Excess Split Revenue Computation form.

The county will ensure to not combine audit finding remittance with current revenues on the TC-31. A separate TC-31 has been submitted for the under remitted amount of \$8,839.00 for the audit period of July 1, 2017, through July 30, 2021.

Please feel free to contact our office should you have any questions.

Sincerely,

Cierra Mendoza, Accounting Technician III

A handwritten signature in cursive script that reads "Cierra Mendoza".

Luis Mercado, Auditor

A handwritten signature in cursive script that reads "Luis Mercado".

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

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## Superior Court of the State of California County of Mariposa

Michael A. Fagalde  
Presiding Judge

Anita Starchman Bryant  
Assistant Presiding Judge

Desire Leard  
Court Executive Officer

5092 Jones Street  
Post Office Box 316  
Mariposa, CA 95338  
(209) 966-6984  
(209) 966-2079 FAX

November 3, 2023

VIA EMAIL

Office of State Controller Malia M. Cohen  
Lisa Kurokawa, Chief, kurokawa@sco.ca.gov  
Division of Audits | Compliance Audits Bureau  
Post Office Box 942850  
Sacramento, California 94250

Re: Audit Report Response from Mariposa Superior Court  
Court Revenue Audit July 1, 2017, through June 30th, 2021

To Whom It May Concern,

Thank you for the opportunity to review and respond to the findings and recommendations in the State Controller's Office draft audit report entitled "Mariposa County and Court, Court Revenue Audit July 1, 2017, through June 30th, 2021". The Superior Court of California, County of Mariposa Court has reviewed the draft audit report. The State Controller's draft report provides the court with 3 findings and corresponding recommendations which are addressed below.

**Finding 2- Incorrect distributions to the State Trial Court Improvement and Modernization Fund**

**Courts response:**

The court agrees with the State Controller's Office finding and recommendation and has already updated its case management system to correct the distribution in accordance with the statutory requirements. The court will also be periodically verifying its distributions as suggested.

**Finding 3- Incorrect distribution of red-light violations**

**Courts response:**

The court agrees with the State Controller's Office finding and recommendation and has already updated its case management system to correct the distribution in accordance with the statutory requirements. The court will also be periodically verifying its distributions as suggested.

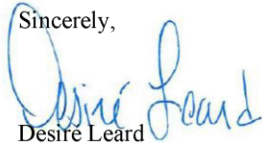
**Finding 4- Incorrect priority of installment payments**

**Courts response:**

The court agrees, the courts prior legacy case management system was not capable of setting up the priority installments as required. The court has transitioned to a new case management system. The court has implemented the recommendations set forth by the State Controller's Office to ensure the payments that are distributed are in accordance with the statutory priority requirements.

The court would like to thank the State Controller's Office and the auditors assigned to this effort for their diligence and professionalism especially given the shortness of staff and the courts transition and implementation of a new case management system. We look forward to receiving the final audit report.

Sincerely,



Desire Leard  
Mariposa Superior Court  
Court Executive Officer

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

**[www.sco.ca.gov](http://www.sco.ca.gov)**