



## JUDICIAL COUNCIL OF CALIFORNIA

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www.courts.ca.gov

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# REPORT TO THE JUDICIAL COUNCIL

For business meeting on January 17, 2020

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**Title**

Trial Courts: Children's Waiting Room Fund  
Balance Cap Adjustments

**Agenda Item Type**

Action Required

**Effective Date**

January 17, 2020

**Rules, Forms, Standards, or Statutes Affected**

None

**Date of Report**

December 19, 2019

**Recommended by**

Trial Court Budget Advisory Committee  
Hon. Jonathan B. Conklin, Chair

**Contact**

Michele Allan, 916-263-1374  
michele.allan@jud.ca.gov

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### Executive Summary

The Trial Court Budget Advisory Committee recommends approving children's waiting room fund balance cap adjustments for the Superior Courts of Contra Costa, San Bernardino, and Santa Barbara Counties. The total amount requested would increase fund balance caps by \$485,549.

### Recommendation

The Trial Court Budget Advisory Committee unanimously recommends that the Judicial Council approve children's waiting room fund balance cap adjustments, effective January 17, 2020, as follows:

1. Superior Court of Contra Costa County: adjustment of \$120,719;
2. Superior Court of San Bernardino County: adjustment of \$75,759; and
3. Superior Court of Santa Barbara County: adjustment of \$289,071.

## Relevant Previous Council Action

On June 27, 2014, the Judicial Council first adopted a policy and procedure on court requests for children’s waiting room (CWR) distributions under Government Code section 70640.<sup>1</sup> On December 12, 2014, the council amended the process for courts to request CWR distributions to clarify when distributions may be requested in advance of the planned opening of a CWR, as well as when distributions will end for temporary or permanent closures.<sup>2</sup>

The Judicial Council further revised its CWR Distribution Policy on June 26, 2015, placing a cap on the amount of CWR fund balance that courts can accumulate.<sup>3</sup> The cap equals the highest annual distribution within the three most recent fiscal years. Courts with fund balances that exceed the cap are required to return the amount above the cap to the Trial Court Trust Fund (TCTF) in the subsequent fiscal year, unless the council approves a court’s request for a cap adjustment. On March 24, 2017, the Judicial Council approved additional revisions to the policy to extend the review and adjustment of CWR fund balances from an annual to a biennial schedule, beginning with the fiscal year (FY) 2016–17 fund balances.<sup>4</sup>

## Analysis/Rationale

CWR distributions to trial courts from first paper filing fee revenues deposited into the TCTF can be spent only on costs associated with operating a CWR. CWR distributions that are not needed by a court would otherwise be retained in the TCTF and used to support trial court operations allocations or become unrestricted fund balance that could be allocated by the council for other purposes. The current CWR Distribution and Fund Balance Policy (Attachment A) requires courts:

- To monitor their CWR distribution amount per filing to ensure it is adequate to meet their CWR needs without accumulating an amount in excess of the cap.

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<sup>1</sup> Judicial Council of Cal., Advisory Com. Rep., *Trial Court Allocations: Children’s Waiting Room Distribution* (June 11, 2014), [www.courts.ca.gov/documents/jc-20140627-itemK.pdf](http://www.courts.ca.gov/documents/jc-20140627-itemK.pdf); Judicial Council of Cal., mins. (June 27–27, 2014), pp. 10–11, [www.courts.ca.gov/documents/jc-20140627-minutes.pdf](http://www.courts.ca.gov/documents/jc-20140627-minutes.pdf).

<sup>2</sup> Judicial Council of Cal., Advisory Com. Rep., *Trial Courts: Distribution Request Process for Children’s Waiting Rooms and Distribution Request from a Court* (Nov. 26, 2014), [www.courts.ca.gov/documents/jc-20141212-itemD.pdf](http://www.courts.ca.gov/documents/jc-20141212-itemD.pdf); Judicial Council of Cal., mins. (Dec. 11–12, 2014), pp. 15–16, [www.courts.ca.gov/documents/jc-20141212-minutes.pdf](http://www.courts.ca.gov/documents/jc-20141212-minutes.pdf).

<sup>3</sup> Judicial Council of Cal., Advisory Com. Rep., *Trial Courts: Children’s Waiting Room Policy* (June 10, 2015), [www.courts.ca.gov/documents/jc-20150626-itemH.pdf](http://www.courts.ca.gov/documents/jc-20150626-itemH.pdf); Judicial Council of Cal., mins. (June 25, 2015), p. 22, [www.courts.ca.gov/documents/jc-20150626-minutes.pdf](http://www.courts.ca.gov/documents/jc-20150626-minutes.pdf).

<sup>4</sup> Judicial Council of Cal., Advisory Com. Rep., *Trial Courts: Children’s Waiting Room Policy* (Mar. 8, 2017), <https://jcc.legistar.com/View.ashx?M=F&ID=5005745&GUID=C29E79A9-B372-46C1-9EFF-10AA6B8E627C>; Judicial Council of Cal., mins. (Mar. 24, 2017), pp. 14–15, <https://jcc.legistar.com/View.ashx?M=M&ID=512287&GUID=36F65B81-0E08-4742-BB85-AEDC68B7ED15>.

- Whose CWR fund balance exceeds the cap by the end of a given fiscal year to return the amount above the cap to the TCTF, unless the council approves a court's request for a cap adjustment.
- Wanting a cap adjustment to submit a request explaining the extenuating circumstance to the director of the Judicial Council [Budget Services] office for consideration by the Trial Court Budget Advisory Committee (TCBAC) and the Judicial Council.

On August 9, 2019, Judicial Council Budget Services staff sent to all trial courts the Estimated 2018–19 CWR Fund Balance Cap Reductions, which identified seven courts with fund balances above their caps. Three courts submitted CWR fund balance cap adjustment requests totaling \$485,549, which were approved for recommendation to TCBAC by the Fiscal Planning Subcommittee at its meeting on September 26, 2019.

TCBAC considered the 2018–19 Biennial Review of Children's Waiting Room Fund Balances (Attachment B) at its meeting on November 21, 2019, and approved the following court requests for consideration by the council:

- Contra Costa closed its CWR in October 2018 and received council approval for continued distribution during its temporary closure for relocation and reopening in July 2019. The court submitted another request for an extension to continue distribution to October 2019 because of project delays. The request was approved by the council at its business meeting on September 24, 2019. A subsequent request for continued distribution to June 2020 due to difficulty securing a vendor was approved by the council at its business meeting on November 14, 2019. This request is based on projected annual expenditures exceeding annual revenues once the CWR reopens and operates full-time at its new location (Attachment C).
- The Superior Court of San Bernardino County intends to expand its CWR services to a new location, in addition to operating its current three CWR locations. A new facility is expected to house family law courtrooms and is slated to open in (FY) 2020–21. The court expects projected annual expenditures to exceed revenues with the anticipated opening of the new location, coupled with the current increase in contract rates for its existing CWR locations (Attachment D).
- The Superior Court of Santa Barbara County's request is based on the continuation of multiyear contracts and projected annual expenditures exceeding annual revenues (Attachment E).

### **Exceptions and reductions**

- The Superior Court of San Mateo County transferred \$245,113 in General Fund monies into the CWR account to cover multiyear contract encumbrances in FY 2016–17. Of this amount, \$155,953 has been carried forward in FY 2018–19. Carrying over funds has been the court's practice so that it can cover expenses beyond what its restricted CWR revenue

allows. The CWR fund balance policy is in place to prevent and discourage courts from accumulating fund balances in a restricted revenue stream that could be used for other purposes in the TCTF. Because San Mateo’s fund balance is the result of unrestricted funds being put into the CWR account to cover a multiyear contract, no fund balance cap adjustment request was deemed necessary for the council to approve.

- Of the remaining courts with CWR fund balances above the cap, three courts (in Sacramento, San Joaquin, and San Luis Obispo Counties) agreed to the fund balance reductions. These reductions were applied in the October 2019 distribution.

**Policy implications**

None.

**Comments**

There were no public comments received on this item.

**Alternatives considered**

None.

**Fiscal and Operational Impacts**

An increase to these cap adjustments allows affected courts to avoid an allocation reduction in the amount of the adjustments, which would have resulted in an increase to the TCTF fund balance of \$485,549.

**Attachments and Links**

1. Attachment A: CWR Distribution and Fund Balance Policy
2. Attachment B: 2018–19 Biennial Review of Children’s Waiting Room Fund Balances
3. Attachment C: Superior Court of Contra Costa County Biennial Fund Balance Cap Adjustment Request
4. Attachment D: Superior Court of San Bernardino County Biennial Fund Balance Cap Adjustment Request
5. Attachment E: Superior Court of Santa Barbara County Biennial Fund Balance Cap Adjustment Request

## **Current Children’s Waiting Room (CWR) Distribution and Fund Balance Policy**

### A. Applying for a New CWR Distribution

- A court’s presiding judge or executive officer must submit a request to the director of the Judicial Council Finance Office 45 days prior to the date of the council meeting at which the court is requesting consideration.
- The request must include the following information:
  - Date of the council meeting at which the court is requesting consideration.
  - Requested effective date of the distribution (July 1 or January 1). If a court wants to begin receiving distributions more than one year in advance of the planned opening date of a CWR, the request should include an explanation of the extenuating circumstance(s).
  - The scheduled opening date of the CWR(s).
  - Description of the CWR(s).
  - The date when the court intends to make expenditures related to operating its CWR(s).
  - The requested distribution amount between \$2 and \$5. Courts can request the Judicial Council Finance Office to provide an estimate of annual distributions.
- The Trial Court Budget Advisory Committee (TCBAC) will make a recommendation to the council on each court’s request.
- If the council approves that distributions begin prior to the operating of a CWR but the court does not operate a CWR six months after their planned opening date, the court must apply for a continued distribution.

### B. Requesting a Decreased CWR Distribution Amount

- Any court’s request to decrease its existing CWR distribution is approved by the Judicial Council and the request can be implemented by Judicial Council staff, effective either January 1 or July 1.

### C. Temporarily or Permanently Ceasing CWR Operations

- Courts that cease operating all CWRs must notify the director of the JC Finance Office within 60 days of the cessation date. Unless a court provides notification and submits an application to continue receiving distributions while not operating a CWR within 60 days of the cessation date, the court’s CWR distributions will be stopped either January 1 or July 1, whichever is earlier, and the court will be required to return any CWR fund balance to the TCTF.
- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return of the CWR fund balance will occur on the February trial court distribution for those courts that the CWR distribution stopped on January 1, and on the August distribution for those courts that the CWR distributions stopped on July 1.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.

## **Current Children’s Waiting Room (CWR) Distribution and Fund Balance Policy**

- An application for a continued distribution must include all the information required of courts applying for a new distribution (see section A above) as well as the amount of any CWR fund balance.
- The TCBAC will make a recommendation to the Judicial Council on each court’s application.
- For courts that apply and whose application is denied by the Judicial Council, any CWR fund balance shall be returned to the TCTF.

### **D. Cap on CWR Fund Balance**

- Courts shall monitor the CWR distribution amount per filing to ensure it is adequate to meet the CWR needs of the court without accumulating an amount in excess of the cap described below.
- Effective July 1, 2015, there shall be a cap on the amount of CWR fund balance that courts can carry forward from one fiscal year to the next. The cap shall be the amount of the highest annual distribution within the three most recent fiscal years.
- Courts that have a CWR fund balance greater than the cap (as described above) at the end of the every other fiscal year (beginning with fiscal year 2016–2017) will be required to return to the TCTF the amount above the cap in the subsequent fiscal year.
- For courts that are required to return the portion of their CWR fund balance above the cap to the TCTF, the return of the CWR fund balance will occur on the August trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.
- The cap applies only to courts that have received at least 12 months of distributions in a fiscal year while operating a CWR.
- If a court wants a cap adjustment, it must submit a request explaining the extenuating circumstance and including its CWR expenditure plan to the director of the JC Finance Office for consideration by the TCBAC and the Judicial Council. The request must be received by the Finance Director within 60 days of the end of the fiscal year for which the adjustment is being requested.
- JC staff will report any return of CWR fund balance through the trial court distribution process to the TCBAC and the Judicial Council.
- For courts that have Judicial Council–approved adjustments to their CWR caps, annual reporting will be required 60 days after the end of each fiscal year for courts that have an adjustment to their CWR cap approved by the Judicial Council, using a template provided by Judicial Council staff.

### **E. Courts that have Received a Distribution but Never Operated a CWR**

- Courts that received distributions between January 1, 2006 and June 30, 2014 but did not operate a CWR during that time period must either apply for a continued

## **Current Children's Waiting Room (CWR) Distribution and Fund Balance Policy**

distribution by September 26, 2015 or have their distributions stopped on January 1, 2016 and return to the TCTF any CWR fund balance.

- For courts that are required to return all of their remaining CWR fund balance to the TCTF, the return will occur on the October 2015 trial court distribution.
- If there is a dispute between a court and JC staff over the amount of CWR fund balance that should be returned to the TCTF, the dispute will be brought before the TCBAC and the Judicial Council if the two parties cannot come to a resolution within 90 days of the cessation date.

Court	2016-17	2017-18	2018-19	Highest Dist.
	Col. A	Col. B	Col. C	Col. D
Alameda	161,044	169,579	174,451	174,451
Alpine	-	-	-	-
Amador	-	-	-	-
Butte	23,243	11,227	-	23,243
Calaveras	-	-	-	-
Colusa	-	-	-	-
Contra Costa	110,553	116,444	126,445	126,445
Del Norte	-	-	-	-
El Dorado	-	-	-	-
Fresno	102,249	110,504	117,334	117,334
Glenn	-	-	-	-
Humboldt	-	-	-	-
Imperial	-	-	-	-
Inyo	-	-	-	-
Kern	-	-	-	-
Kings	-	-	-	-
Lake	-	-	-	-
Lassen	-	-	-	-
Los Angeles	1,135,306	1,480,168	1,603,832	1,603,832
Madera	-	-	-	-
Marin	-	-	-	-
Mariposa	-	-	-	-
Mendocino	-	-	-	-
Merced	-	-	-	-
Modoc	-	-	-	-
Mono	-	-	-	-
Monterey	34,348	(104,004)	-	34,348
Napa	-	-	-	-
Nevada	-	-	-	-
Orange	395,975	421,645	447,379	447,379
Placer	-	-	-	-
Plumas	-	-	-	-
Riverside	267,712	287,070	328,848	328,848
Sacramento	331,970	348,234	314,540	348,234
San Benito	-	-	-	-
San Bernardino	254,178	288,108	299,668	299,668
San Diego	363,973	380,780	407,575	407,575
San Francisco	119,097	124,923	130,501	130,501
San Joaquin	-	91,233	94,255	94,255
San Luis Obispo	25,058	25,681	28,232	28,232
San Mateo	68,540	71,715	76,285	76,285
Santa Barbara	41,033	43,675	45,150	45,150
Santa Clara	148,907	162,279	172,182	172,182
Santa Cruz	-	-	-	-
Shasta	-	-	-	-
Sierra	-	-	-	-
Siskiyou	-	-	-	-
Solano	48,472	54,379	59,359	59,359
Sonoma	46,841	49,926	54,341	54,341
Stanislaus	20,812	-	-	20,812
Sutter	-	-	-	-
Tehama	-	-	-	-
Trinity	-	-	-	-
Tulare	-	-	-	-
Tuolumne	-	-	-	-
Ventura	87,949	92,008	97,711	97,711
Yolo	-	-	-	-
Yuba	-	-	-	-
<b>Total</b>	<b>3,787,262</b>	<b>4,225,573</b>	<b>4,578,087</b>	<b>4,690,184</b>

CWR 2018-19 Fund Balance as of 6/30/2019	2019-20 CWR Reduction
Col. E	Col. F
57,265	-
-	-
-	-
-	-
247,164	(120,719)
-	-
-	-
-	-
-	-
958,419	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
285,378	-
-	-
263,223	-
431,227	(82,993)
-	-
375,427	(75,759)
-	-
164,335	(70,081)
83,133	(54,901)
155,953	(79,668)
334,221	(289,071)
-	-
-	-
-	-
-	-
-	-
33,029	-
14,356	-
-	-
-	-
-	-
15,179	-
-	-
-	-
<b>3,418,308</b>	<b>(773,191)</b>

Info Only			Calculated CWR Reduction	Adjustments to CWR Reductions <sup>1</sup>	Court Confirmed Reduction	Pending Adjustment Requests
CWR 2016-17 Fund Balance	CWR 2017-18 Fund Balance	CWR 2018-19 Fund Balance				
Col. G	Col. H	Col. I				
69,270	26,055	57,265	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,011	21,512	-	-	-	-	-
-	-	-	-	-	-	-
177,534	157,459	247,164	(120,719)	-	-	120,719
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
555,010	671,158	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
103,177	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
747,898	456,858	285,378	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
141,514	194,075	263,223	-	-	-	-
368,698	453,105	431,227	(82,993)	-	(82,993)	-
-	-	-	-	-	-	-
126,416	258,444	375,427	(75,759)	-	-	75,759
-	-	-	-	-	-	-
-	68,742	164,335	(70,081)	-	(70,081)	-
55,670	51,123	83,133	(54,901)	-	(54,901)	-
200,875	162,638	155,953	(79,668)	79,668	-	-
484,419	395,528	334,221	(289,071)	-	-	289,071
125,995	154,955	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
46,860	37,345	33,029	-	-	-	-
7,382	8,204	14,356	-	-	-	-
82,229	65	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
45,345	40,122	15,179	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>3,348,303</b>	<b>3,157,388</b>	<b>2,459,889</b>	<b>(773,191)</b>	<b>79,668</b>	<b>(207,975)</b>	<b>485,549</b>

<sup>1</sup>San Mateo transferred non-CWR funds into its CWR account to cover expenditures in excess of CWR revenues. Therefore, the cap adjustment does not apply.



**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS /  
BIENNIAL FUND BALANCE CAP REVIEW**

Please check all that apply:

- ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS** *(Complete Sections I and II)*
- BIENNIAL FUND BALANCE CAP REVIEW** *(Complete Sections I, II, and III)*



**SECTION I: GENERAL INFORMATION**

**SUPERIOR COURT:**  
Contra Costa

**PERSON AUTHORIZING REPORT** *(Presiding Judge or Court Executive Officer):*  
Kate Bieker, Court Executive Officer

**CONTACT PERSON AND CONTACT INFO** *(Please include mailing address, email, and phone number):*

Fae Li, Director of Finance  
725 Court Street, 4<sup>th</sup> Floor; Martinez, CA 95443

**DATE OF SUBMISSION:**  
8/30/2019

**RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:**  
**YES**  **NO**  *(No biennial reporting is required if less than 12 months of distributions received)*

**DO YOU HAVE MULTI-YEAR CONTRACTS?** **YES**  **NO**  *(If yes, provide an explanation of the contracts in the CWR Program Update below)*

**CWR PROGRAM UPDATE** *(Please briefly summarize the status of your current program):*

The Court previously received a cap adjustment, and at the time was operating a Children's Waiting Room (CWR) in its Pittsburg Courthouse. The Court closed its Pittsburg Courthouse CWR in October 2018 due to decreased demand and usage of the CWR so that it may relocate the CWR to its Martinez Family Law Courthouse where demand for CWR services is much higher. The FY 18/19 expenditures of \$34,429 below reflects operating the Pittsburg CWR for three months prior to the temporary closure.

Construction on the new Martinez Family Law Courthouse CWR completed in July 2019. During the temporary closure period, the Court issued an RFP for a vendor to operate its new CWR. A prospective vendor submitted a cost proposal to operate the CWR for approximately \$220,000 per year, but the Court did not accept this proposal since it is significantly higher than its historical annual CWR allocation. The Court continues its search for a CWR vendor but anticipates that once a CWR vendor is secured, its annual cost of operating the CWR will exceed the annual CWR allocation, and will need to use its CWR fund balance to cover the funding shortfall. The Court requests a cap adjustment to \$247,164 so that it may retain its full fund balance to cover these anticipated annual funding shortfalls in order to allow the Court to operate its new CWR.

**SECTION II: FINANCIAL INFORMATION**

- A. THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** *(Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):*

		A	B	C	D	E	F	G
Row	Fiscal Year	<i>Actual</i>			<i>Estimated</i>			
		Beginning Fund Balance	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022
1	Revenue Distributed to the Court		-731,860	115,472	124,134	125,000	125,000	125,000
2	Expenditures		135,601	135,547	34,429	137,500	178,500	187,425
3	Fund Balance	1,044,995	177,534	157,459	247,164	234,664	181,164	118,739
<b>CWR Fund Balance above CAP Calculation:</b>								
4	Highest Year of Revenue Distributed to the Court	124,134						
5	Fund Balance at the End of the Current Fiscal Year	247,164						
6	Amount to Return to the TCTF	123,030						
7	Requested Adjustment to Fund Balance CAP <sup>1</sup>	120,719						
<sup>1</sup> Due to the Director of Budget Services within 60 days of the end of the fiscal year								

**B. CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

FY 2019-2020: The Court anticipates annual operating costs of \$170,000 for CWR vendor. Since the Court anticipates opening its new Martinez Family Law Courthouse CWR by October 1, 2019, the estimated expenditures of \$137,500 represents 9 months of operating a CWR.

FY 2020-2021: \$178,500 = \$170,000 annual operating budget for year 1 \* 5% increase

FY 2021-2022: \$187,425 = \$178,500 annual operating budget for year 2 \* 5% increase

**SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF**

**A. IF APPEALING THE AMOUNT CALCULATED TO RETURN TO TCTF IN CELL A6, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** (Include a summary of your ongoing CWR expenditure plan):

**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS /  
BIENNIAL FUND BALANCE CAP REVIEW**

Please check all that apply:

- ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS** *(Complete Sections I and II)*
- BIENNIAL FUND BALANCE CAP REVIEW** *(Complete Sections I, II, and III)*



**SECTION I: GENERAL INFORMATION**

**SUPERIOR COURT:**  
San Bernardino

**PERSON AUTHORIZING REPORT** *(Presiding Judge or Court Executive Officer):*

Nancy Eberhardt, Court Executive Officer

**CONTACT PERSON AND CONTACT INFO** *(Please include mailing address, email, and phone number):*

Kristine Swensson  
247 W 3<sup>rd</sup> Street, 11<sup>th</sup> Floor  
San Bernardino, CA 92415  
(909) 708-8744  
[kswensson@sb-court.org](mailto:kswensson@sb-court.org)

**DATE OF SUBMISSION:**  
8/30/2019

**RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:**  
**YES**  **NO**  *(No biennial reporting is required if less than 12 months of distributions received)*

**DO YOU HAVE MULTI-YEAR CONTRACTS?** **YES**  **NO**  *(If yes, provide an explanation of the contracts in the CWR Program Update below)*

**CWR PROGRAM UPDATE** *(Please briefly summarize the status of your current program):*

In April 2016, the Superior Court of San Bernardino County (Court) obtained approval from the Judicial Council to receive Children's Waiting Room fee revenue effective July 1, 2016. This approval allows for the Court to collect \$5 of each designated filing fee pursuant to Government Code 70640.

As planned in the original request for funding, the Court was successful in opening three children's waiting rooms. Currently, the Court operates waiting rooms in the San Bernardino Justice Center (SBJC), Fontana Courthouse, and the Historic Courthouse. The hours of operations are 8:00 AM to 4:00 PM for all locations. These waiting rooms provide much needed services to over 1600 children annually and have provided a safe place for children to stay while their parents or guardians participate in court matters or proceedings. Services include providing children with activities focused on education and engagement. These childcare services are provided in both English and Spanish.

The Court recently executed a multi-year contract with "Choices for Children" to provide childcare services from July 1, 2019 through June 20, 2022. Additionally, the contract allows for two one-year extensions for renewal at the Court's discretion. This new contract increased rates from \$247,033.72 to \$251,700.00, resulting in a 2% increase.

**SECTION II: FINANCIAL INFORMATION**

**A. THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** (Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):

Fiscal Year	Actual				Estimated		
	Beginning Fund Balance	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022
Revenue Distributed to the Court		254,235	286,646	309,200	290,000	295,000	300,000
Expenditures		127,819	154,618	192,217	247,003	353,791	359,791
Fund Balance		126,416	258,444	375,427	418,424	359,633	299,842

**Fund Balance above CAP Calculation:**

Highest Year of Revenue Distributed to the Court	299,668						
Fund Balance at the End of the Current Fiscal Year	375,427						
Amount to Return to the TCTF	75,759						
Requested Adjustment to Fund Balance CAP <sup>1</sup>	75,759						

to the Director of Budget Services within 60 days of the end of the fiscal year

**Note:** The table in Section II A. includes interest earned and accrual adjustments under the section that is entitled “Revenue Distributed to the Court” because there is not a separate line/row for these items. These amounts are needed to accurately account for the ending fund balance total.

**B. CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

The Court plans to continue to expand children’s waiting room services over the next several years. This expansion includes both an increase in utilization of services at existing locations and an expansion to the high desert region of the County near Victorville. Below is a more detailed expenditure plan for Fiscal Year (FY) 2019-20 through 2021-22:

**FY 2019-20** – the expenditure amount in row 2 reflects both the newly contracted rates with a slight increase projected in service utilization for existing locations.

**FY 2020-21** – the expenditure amount for this year includes an increase to the projected contract amount of approximately \$57,000 to provide for a half year of two additional staff and oversight of a new location in the high desert, near Victorville. This year also includes \$50,000 in one-time purchases to buy furniture, books, supplies, equipment, and other necessities to set forth plans for the opening of a new waiting room in a space that the Court plans to occupy in FY 2020-21.

**FY 2021-22** – the expenditure amount for this year includes the increase in contract costs due to the expansion to the high desert area near Victorville in FY 2020-21.

The projections included in Section II A indicate that the Court will be able to utilize fund balance in excess of the cap by FY 2021-22. Therefore, the Court is requesting a three-year exception to the fund balance cap and be permitted to use the funds in excess of the cap of \$75,759 to further expansion of services.


**SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF**

**A. IF APPEALING THE AMOUNT CALCULATED TO RETURN TO TCTF IN CELL A6, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** *(Include a summary of your ongoing CWR expenditure plan):*

The Court is respectfully requesting a three-year exception to the fund balance cap be approved so that it may continue efforts to expand children’s waiting room services in the County.

Specifically, the Court intends to open a new waiting room in the high desert area of the County, near Victorville, in a facility that is being provided by County Probation. This location is expected to house family law courtrooms, mediation services, self-help, and a new children’s waiting room. This facility is slated to open in FY 2020-21. The opening of this new location, coupled with the current increase in contract rates and projected utilization will mean that the Court will start utilizing fund balance as soon as FY 2020-21. Should the funds of \$75,759 be swept now, the Court might have to reconsider the sustainability of opening any additional locations and may be unable to expand into the Victorville area in the near future.

**CHILDREN'S WAITING ROOM (CWR)  
ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS /  
BIENNIAL FUND BALANCE CAP REVIEW**

Please check all that apply:		
<input type="checkbox"/> <b>ANNUAL REPORTING FOR MULTI-YEAR CONTRACTS</b> <i>(Complete Sections I and II)</i>		
<input checked="" type="checkbox"/> <b>BIENNIAL FUND BALANCE CAP REVIEW</b> <i>(Complete Sections I, II, and III)</i>		
<b>SECTION I: GENERAL INFORMATION</b>		
<b>SUPERIOR COURT:</b> Santa Barbara	<b>PERSON AUTHORIZING REPORT</b> <i>(Presiding Judge or Court Executive Officer):</i> Darrel Parker, CEO	
	<b>CONTACT PERSON AND CONTACT INFO</b> <i>(Please include mailing address, email, and phone number):</i> Patrick Ballard, CFO 1100 Anacapa St, 2 <sup>nd</sup> Floor Santa Barbara, CA 93101 <a href="mailto:pballard@sbcourts.org">pballard@sbcourts.org</a> phone: (805) 882-4682	
<b>DATE OF SUBMISSION:</b> 8/23/2019	<b>RECEIVED AT LEAST 12 MONTHS OF DISTRIBUTIONS IN THE LAST FISCAL YEAR:</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(No biennial reporting is required if less than 12 months of distributions received)</i>	
	<b>DO YOU HAVE MULTI-YEAR CONTRACTS?</b> <b>YES</b> <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <i>(If yes, provide an explanation of the contracts in the CWR Program Update below)</i>	
<b>CWR PROGRAM UPDATE</b> <i>(Please briefly summarize the status of your current program):</i> <p>The Superior Court of California, County of Santa Barbara requests a cap adjustment to the funds accumulated in its Children's Waiting Room fund. The court currently operates two children's waiting rooms in the major population centers within the county. The first is operated in downtown Santa Barbara, at the Figueroa Division, a criminal court building adjacent to the civil and family courts located in the historic courthouse. The second children's waiting room is operated in the juvenile court building in Santa Maria. Both rooms were previously opened a limited number of hours under the supervision of a contracted non-profit agency.</p> <p>In order to better serve the needs of the public, a multi-year contract was negotiated with the non-profit agency Community Action Commission to operate both rooms on a full-time basis. The contract and expanded hours became effective on June 1, 2017. The children's waiting room in Santa Barbara was previously opened 24 hours per week, it's now serving the public 40 hours per week. The children's waiting room in Santa Maria at the juvenile court building was previously opened 8 hours per week, it's now serving the public 35 hours per week. Over the past year (FY 2018–19) a total of 684 families with 996 children used the children's waiting rooms. The court will continue to use its fund balance for the increase in services available to the public.</p>		

**SECTION II: FINANCIAL INFORMATION**

**A. THREE-YEAR HISTORY AND THREE-YEAR PROJECTION OF YEAR END FUND BALANCES, REVENUES, AND EXPENDITURES** (Double click below for Excel spreadsheet. Please populate rows 1 and 2, and the beginning fund balance in cell A3. The rest of the sheet is formula driven and will automatically populate. If requesting an adjustment to the calculated CAP and return of funds to the Trial Court Trust Fund (TCTF), enter the amount (row 7) being requested and complete Section III):

		A	B	C	D	E	F	G
Row	Fiscal Year	<i>Actual</i>			<i>Estimated</i>			
		Beginning Fund Balance	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022
1	Revenue Distributed to the Court		41,033	43,677	45,150	45,150	45,150	45,150
2	Expenditures		63,205	138,413	114,858	157,745	157,745	157,745
3	Fund Balance	506,591	484,419	389,683	319,975	207,380	94,785	-17,810
<b>CWR Fund Balance above CAP Calculation:</b>								
4	Highest Year of Revenue Distributed to the Court	45,150						
5	Fund Balance at the End of the Current Fiscal Year <sup>1</sup>	334,221						
6	Amount to Return to the TCTF	289,071						
7	Requested Adjustment to Fund Balance CAP <sup>2</sup>	289,071						
<sup>1</sup> Amount Includes interest earned.								
<sup>2</sup> Due to the Director of Budget Services within 60 days of the end of the fiscal year.								

**CURRENT DETAILED EXPENDITURE PROJECTIONS/PLAN FOR NEXT THREE FISCAL YEARS** (Please provide an explanation of the expenditure plan that ties to row 2, columns E, F, and G):

The court has a multi-year Children’s Waiting Room agreement with Community Action Commission. Within the next three fiscal years the court will be incurring an estimated (based on maximum amount of agreement) total of \$473,235 in expenditures to run the children’s waiting rooms at both its locations. However, only \$135,450 is estimated (based on prior year) to be received in revenues during the same period leaving a large deficit. Without an ability to use existing reserves the court would have to cease operating the children’s waiting rooms in Santa Barbara and Santa Maria.

Ongoing Expenses	Annual Max Amount
Children’s Waiting Room Services – Santa Barbara	83,359
Children’s Waiting Room Services – Santa Maria	74,386
<b>Annual Total</b>	<b>\$157,745</b>

**SECTION III: RETURNING FUNDS ABOVE THE CAP TO THE TCTF**

**A. IF APPEALING THE AMOUNT CALCULATED TO RETURN TO TCTF IN CELL A6, PLEASE PROVIDE YOUR JUSTIFICATION BELOW** *(Include a summary of your ongoing CWR expenditure plan):*

The total cost of operating the two centers is estimated at \$157,745 annually. Assuming annual revenue of \$45,150, the court would need an additional \$112,595 in ongoing costs each year. Using the balance in the Children's Waiting Room fund will continue to allow the court to provide full-time services in Santa Barbara and Santa Maria. The court could operate both children's waiting rooms to better serve the community for another two years. At the end of that time the court would have exhausted the balance of the fund and would either find an alternate source of funding or reduce the schedule.