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Judicial Branch Procurement

The Five Superior Courts We Reviewed Mostly Adhered to Required and Recommended Practices, but Some Improvements Are Needed

Background

Comprised of the Supreme Court, courts of appeal, superior courts in each of the State's 58 counties, and administrative and policy entities, including the Judicial Council of California, California's judicial branch is a separate and independent branch of state government. In 2011 the State enacted the California Judicial Branch Contract Law that requires judicial branch entities to follow procurement and contracting policies that are consistent with the Public Contract Code and substantially similar to other state requirements.

Key Findings

- Although two of the five superior courts we reviewed—in Riverside and San Diego counties—had strong processes and followed required procurement procedures and recommended practices for contracts, the other three courts—in San Joaquin, San Mateo, and Tehama—did not.
 - » The three courts did not always ensure that the prices they received for noncompetitive contracts were fair and reasonable.
 - » The San Joaquin and Tehama courts did not always ensure that requests for sole-source contracts were properly approved.
- While the Riverside, San Diego, and Tehama courts processed all of the vendor payments in accordance with judicial contracting manual requirements and recommended practices and managed their staff's use of purchase cards to buy goods, the other two counties had some weaknesses in their processing of vendor or purchase card payments.
 - » The San Joaquin and San Mateo courts did not consistently ensure that vendor payments were properly approved or that goods or services purchased were actually received prior to paying the vendor.
 - » Although the San Joaquin court appropriately processed almost all of the vendor payments we tested, it consistently exceeded purchase card transaction limits—all six purchase card payments we tested exceeded the limit of \$1,500 per transaction.

Our Key Recommendations

- The courts should ascertain they obtain the best value for their purchases of goods and services through contracts by ensuring that vendor's prices are fair and reasonable when using a noncompetitive process, appropriately justifying and retaining the reasons for entering into contracts that are not competitively bid, and ensuring contracts are properly approved.
- The courts should ensure that they properly authorize payments and purchase only allowable items and confirm that goods and services ordered are received prior to making payments. The courts should also ensure that staff do not exceed the \$1,500 per-transaction limit for purchase cards.

Three of the Five County Superior Courts We Reviewed Need to Improve Procurement Practices

COUNTY SUPERIOR COURT	COMPETITIVE			NONCOMPETITIVE			ALL		
	ADVERTISED, WHEN REQUIRED	OPEN TO BID	KEY ELEMENTS INCLUDED IN SOLICITATION FOR BID	PRICE DETERMINED TO BE FAIR AND REASONABLE	NONCOMPETITIVE EXPLANATION INCLUDED	SOLE-SOURCE REQUEST APPROVED	PROCUREMENT INCLUDED APPLICABLE KEY ELEMENTS	APPROVED BY APPROPRIATE COURT OFFICIAL	ALLOWABLE GOODS OR SERVICES
Riverside	4 of 4	4 of 4	4 of 4	4 of 4	6 of 6	*	10 of 10	10 of 10	10 of 10
San Diego	4 of 4	4 of 4	4 of 4	6 of 6	6 of 6	2 of 2	11 of 11	11 of 11	11 of 11
San Joaquin	2 of 2	3 of 3	3 of 3	5 of 8	5 of 9	2 of 6	11 of 12	12 of 12	12 of 12
San Mateo	2 of 2	3 of 3	3 of 3	2 of 3	6 of 7	1 of 1	10 of 10	10 of 10	10 of 10
Tehama	1 of 1	1 of 1	1 of 1	3 of 7	6 of 8	2 of 4	9 of 10	9 of 10	10 of 10

Level of Compliance With Required and Recommended Practices

■ = Complied with all ■ = Complied with most ■ = Complied with 50 percent ■ = Complied with fewer than 50 percent

* Our selection of contracts for testing at the Riverside court did not encounter any sole-source procurements.