



Board Report

File #: 20-910, **Version:** 1

- a. Receive the updated Memorandum of Understanding between the County of Monterey, by and through the Treasurer-Tax Collector, and the Superior Court of California, County of Monterey to provide for the collection of fees, fines, forfeitures, penalties, and assessments arising from criminal, traffic, and minor offense cases, on behalf of the local Superior Court of California; and
- b. Authorize the Treasurer-Tax Collector to approve this and future updated Memoranda of Understanding for collections of fees, fines, forfeitures, penalties, and assessments on behalf of the local Superior Court.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive the updated Memorandum of Understanding between the County of Monterey, by and through the Treasurer-Tax Collector, and the Superior Court of California, County of Monterey to provide for the collection of fees, fines, forfeitures, penalties, and assessments arising from criminal, traffic, and minor offense cases, on behalf of the local Superior Court of California; and
- b. Authorize the Treasurer-Tax Collector to approve this and future updated Memoranda of Understanding for collections of fees, fines, forfeitures, penalties, and assessments on behalf of the local Superior Court.

SUMMARY:

The existing Memorandum of Understanding (MOU) between the County of Monterey, by and through the Treasurer-Tax Collector (TTC) - Revenue Division and the Superior Court of California - Monterey County was last updated and approved in 2009. Revenue Division and local Court Finance Managers have collaborated on reviewing and updating the MOU over the past year to recognize changes in processes, terminology, and responsibilities since it was last revised. Recommended actions will formally document current agreed-upon provisions of the collections program.

DISCUSSION

The primary responsibility of the Treasurer-Tax Collector's (TTC) Revenue Division is to receive and process outstanding court-ordered Criminal and Traffic debt on behalf of the Superior Court of California, County of Monterey (Court). California Penal Code Section 1463.010 mandates that the Court and County develop a cooperative plan to implement a comprehensive program for the collection of delinquent fees, fines, forfeitures, penalties, victim restitution, and assessments arising from criminal, traffic, and minor offense cases pursuant to Judicial Council guidelines. On November 21, 2001, the Board adopted Agreement No. A-08800, authorizing the TTC to negotiate a Memorandum of Understanding (MOU) with the Superior Court to implement the Comprehensive Collection Program (CCP) as authorized by Penal Code Section 1463.007. The first phase of the program, implemented in April 2003, assumed all payment processing for criminal cases with the local Courts. The second phase of the program, adding responsibility for collection of delinquent traffic fines and fees, was implemented in January 2009. Ongoing responsibility for criminal collections requirements and the transfer of responsibility for delinquent traffic collections to the TTC Revenue Division was formalized through adoption of the current MOU, approved by the Board of Supervisors on October 6, 2009. The MOU provides that it "shall remain in effect until terminated by either Party" in accordance with specifications also stated in the document. Collections activities meet the requirements of the Comprehensive Collections Program (CCP) as authorized by Penal Code Section 1463.007, providing for the Division to offset cost of collections from a

portion of collected funds. The Revenue Division and the local Court's Finance Division recently completed proposed revisions to the MOU to recognize systems, terminology, and procedural changes that have occurred since 2009. The following bullet points are a summary of the material recommended changes from the MOU approved by the Board of Supervisors October 6, 2009:

- Establishes the Revenue Division as the sole collection service for the local Superior Court for all criminal cases and delinquent traffic and minor offense cases by eliminating the Court's requirement to also contract with an outside collection agency.
- Updates terminology and timelines for case management system processes and relevant state agencies.
- Includes new reporting requirements and interagency points of contact.
- Adds discharge of accountability requirements per Government Code sections 25257 through 25259.95.
- Clarifies dispute resolution steps provided under PC 1463.010.
- Authorizes the TTC to sign this and any future MOU updates with the Court due to our ongoing partnership and familiarity with collecting court-ordered debt.
- Eliminates formatting issues.

OTHER AGENCY INVOLVEMENT:

TTC - Revenue Division management collaborated with the local Superior Court Finance Division management. Both parties are in agreement with the revised MOU. County and Court counsels have reviewed the revised document and concur with recommended changes.

FINANCING:

Recommended actions have no impact on the General Fund. The approved CCP provides that costs of collections are recoverable from funds collected as defined by Penal Code 1463.007. Through the Court/County MOU, the TTC Revenue Division acts in cooperation with, and as an agent of the Courts, and maintains compliance with cost recovery requirements to offset up to 95% of Revenue Division operating costs incurred in the collection and distribution of court-ordered debt. Offsetting funds for the Revenue Division collections program in FY 2018-19 totaled \$3.4 million and funds collected exceeded \$11 million. In the ten years between approval of the current Court/County MOU in 2009 and the close of FY 2018-19, the Revenue Division collected approximately \$123.5 million in court-ordered criminal and traffic debt, primarily distributed to state public safety programs, courts and victim restitution.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation supports the Administration initiative for providing transparency and accountability in the billing, collection, management, banking, investment, and reporting of County and other public agency funds.

☐ Economic Development
☒ Administration
☐ Health & Human Services

☐ Infrastructure
☐ Public Safety

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Attachments: Current MOU - 2009
Proposed MOU - 2020