

1 Rule 3-407. Accounting.

2 Intent:

3 To establish uniform procedures for the processing, tracking, and reporting of
4 accounts receivable and trust accounts.

5 Applicability:

6 This rule applies to the judiciary.

7 Statement of the Rule:

8 (1) Manual of procedures.

9 (1)(A) The administrative office shall develop a manual of procedures to govern
10 accounts receivable, accounts payable, trust accounts, the audit thereof, and the audit
11 of administrative procedures generally. The procedures shall be in conformity with
12 generally accepted principles of budgeting and accounting and shall, at a minimum,
13 conform to the requirements of this Code and state law. Unless otherwise directed by
14 the Judicial Council, the manual of procedures and amendments to it shall be approved
15 by the majority vote of the state court administrator, the court administrators for each
16 court of record, and the ~~director of finance~~ manager.

17 (1)(B) There is established an accounting manual review committee responsible for
18 making and reviewing proposals for repealing accounting policies and procedures and
19 proposals for promulgating new and amended accounting policies and procedures. The
20 committee shall consist of the following minimum membership:

21 (1)(B)(i) the ~~director of finance or designee~~ manager and the budget manager, who
22 shall serve as co-chairs and shall vote only in the event of a tie;

23 (1)(B)(ii) four support services coordinators who will serve a three year term, and
24 may repeat;

25 (1)(B)(iii) two accountants or clerks with accounting responsibilities from each of the
26 trial courts of record who will serve a three year term, and may repeat;

27 (1)(B)(iv) a trial court executive who will serve a three year term;

28 (1)(B)(v) a clerk of court who will serve a three year term;

29 ~~(v)~~ (1)(B)(vi) a clerk with accounting responsibilities from an appellate court who will
30 serve a three year term, and may repeat;

31 ~~(vi)~~ (1)(B)(vii) one court services field specialist, who has an indefinite term;

32 ~~(vii)-(1)(B)(viii)~~ the audit ~~manager~~ director or designee, who shall not vote; and
33 ~~(viii)-(1)(B)(ix)~~ the director of the state division of finance or designee, who shall not
34 vote.

35 (1)(C) Unless designated by office, members of the committee shall be appointed ~~in~~
36 ~~a manner consistent with CJA Rule 1-205 by the state court administrator~~. The
37 department of finance shall provide necessary support to the committee.

38 (1)(D) New and amended policies and procedures recommended by the committee
39 shall be reviewed by the court executives prior to being submitted to the Judicial Council
40 or to the vote of the administrators and the ~~director of finance~~ manager. The Court
41 Executives may endorse or amend the draft policies and procedures or return the draft
42 policies and procedures to the committee for further consideration.

43 (2) Revenue accounts.

44 (2)(A) Deposits; transfers; withdrawals. All courts shall deposit with a depository
45 determined qualified by the administrative office or make deposits directly with the Utah
46 State Treasurer or the treasurer of the appropriate local government entity. The
47 Supreme Court, Court of Appeals, State Law Library, administrative office, district court
48 primary locations and juvenile courts shall deposit daily, whenever practicable, but not
49 less than once every three days. The deposit shall consist of all court collections of
50 state money. District court contract sites and justice courts having funds due to the state
51 or any political subdivision of the state shall, on or before the 10th day of each month,
52 deposit all funds received by them in the preceding month in a qualified depository with
53 the appropriate public treasurer. The courts shall make no withdrawals from depository
54 accounts.

55 (2)(B) Periodic revenue report. Under the supervision of the court executive, the
56 clerk of the court shall prepare and submit a revenue report that identifies the amount
57 and source of the funds received during the reporting period and the state or local
58 government entity entitled to the funds. Juvenile courts and primary locations of the
59 district courts shall submit the report weekly to the administrative office. District court
60 contract sites shall submit the report at least monthly, together with a check for the state
61 portion of revenue, to the administrative office. Justice courts shall submit the report

62 monthly, together with a check for the state revenue collected, to the Utah State
63 Treasurer.

64 (2)(C) Monthly reconciliation of bank statement. The administrative office shall
65 reconcile the revenue account upon receipt of the weekly revenue report from the courts
66 and the monthly bank statements.

67 (3) Trust accounts.

68 (3)(A) Definition. Trust accounts are accounts established by the courts for the
69 benefit of third parties. Examples of funds which are held in trust accounts include
70 restitution, child support, and bail amounts.

71 (3)(B) Accounts required; duties of a fiduciary. District court primary locations and
72 juvenile courts shall maintain a trust account in which to deposit monies held in trust for
73 the benefit of the trustor or some other beneficiary. Under supervision of the court
74 executive, the clerk of the court shall be the custodian of the account and shall have the
75 duties of a trustee as established by law. All other courts of record and not of record
76 may maintain a trust account in accordance with the provisions of this rule.

77 (3)(C) Monthly reconciliation of bank statement. Each court shall reconcile its
78 ledgers upon receipt of the monthly bank statement and submit the reconciliation to the
79 administrative office.

80 (3)(D) Accounting to trustor. The courts shall establish a method of accounting that
81 will trace the debits and credits attributable to each trustor.

82 (3)(E) Bail forfeitures; other withdrawals. Transfers from trust accounts to a revenue
83 account may be made upon an order of forfeiture of bail or other order of the court.
84 Other withdrawals from trust accounts shall be made upon the order of the court after a
85 finding of entitlement.

86 (3)(F) Interest bearing. All trust accounts shall be interest bearing. The disposition of
87 interest shall be governed by Rule 4-301.

88 (4) Compliance. The administrative office and the courts shall comply with state law
89 and the manual of procedures adopted by the administrative office.

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