

1 **Rule 3-407. Accounting.**

2 Intent:

3 To establish uniform procedures for the processing, tracking, and reporting of accounts
4 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 accounts
10 receivable, accounts payable, trust accounts, the audit thereof, and the audit of administrative
11 procedures generally. The procedures shall be in conformity with generally accepted principles
12 of budgeting and accounting and shall, at a minimum, conform to the requirements of this Code
13 and state law. Unless otherwise directed by the Judicial Council, the manual of procedures and
14 amendments to it shall be approved by the majority vote of the state court administrator, the
15 court administrators for each court of record, and the finance manager.

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

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

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

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

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

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

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

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

30 (1)(B)(viii) the audit director or designee, who shall not vote; and

31 (1)(B)(ix) the director of the state division of finance or designee, who shall not vote.

32 (1)(C) Unless designated by office, members of the committee shall be appointed by the state
33 court administrator. The department of finance shall provide necessary support to the
34 committee.

35 (1)(D) New and amended policies and procedures recommended by the committee shall be
36 reviewed by the court executives prior to being submitted to the Judicial Council or to the vote of
37 the administrators and the finance manager. The Court Executives may endorse or amend the

38 draft policies and procedures or return the draft policies and procedures to the committee for
39 further consideration.

40 (2) Revenue accounts.

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

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

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

62 (3) Trust accounts.

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

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

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

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

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

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

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