



OFFICE OF THE STATE AUDITOR



FOR IMMEDIATE RELEASE

Contact: Greg Fugate
osa.media@state.co.us

DIANNE E. RAY, CPA
STATE AUDITOR

December 7, 2020

State Court Administrator's Office Lacking a Culture of Accountability

DENVER—A new performance audit by the Office of the State Auditor (OSA) found numerous problems with the State Court Administrator's Office's (SCAO's) oversight of and accountability for its human resources and financial services functions. "The results of this audit raise questions about whether the SCAO has acted in a manner that maintains public trust in the Judicial Department and demonstrates good stewardship of state funds," said Vickie Heller, Legislative Audit Manager.

In April 2019, the former State Court Administrator awarded \$518,000 in voluntary separation incentives to nine staff due to a planned reorganization. The audit found that the SCAO entered into these agreements without all of the required approvals, without targeting the specific positions to receive incentives, and without knowing what the maximum payout amounts would be. Ultimately, the SCAO reorganization did not occur and only three of the nine staff positions that received voluntary separation incentives were abolished. The other six vacated positions have since been staffed or are open to be filled, indicating the separation incentives paid to these employees may not have been in the best interest of the State.

The audit also found that the SCAO had no records of the reasons why about 3,600 hours of paid administrative leave were granted to staff. Moreover, the

OFFICE OF THE STATE AUDITOR
1525 SHERMAN STREET
7TH FLOOR
DENVER, 80203
COLORADO

303.869.2800

audit identified 102 instances where staff were granted, in total, more than 1,060 hours of paid administrative leave above the “normal” amount of leave that most staff received, including two staff who received more than 300 of these 1,060 hours (28 percent). The audit also found that the SCAO did not maintain all required documentation in 10 Family Medical Leave Act cases and two disciplinary actions.

In the area of procurement, the audit found that 6 of 10 sole source contracts the SCAO awarded during the audit period, totaling up to \$3.87 million, did not include sufficient support for the decisions to award the contracts. One contract was awarded to a former SCAO employee who had resigned 6 days before the sole source justification was signed. The audit also identified issues with the approvals for 30 of 100 procurement card purchases (30 percent) reviewed, totaling about \$49,500.

Appointed by the Chief Justice of the Colorado Supreme Court, the State Court Administrator heads the SCAO, which provides administrative services, including budgeting, procurement, human resources, and IT management services to the Judicial Department. The SCAO also provides policy guidance on Supreme Court rules and directives to the district courts.

The audit makes six recommendations.

The full report is available online at www.colorado.gov/auditor.

About the Office of the State Auditor (OSA)

Under the direction of the State Auditor, the OSA is the State’s nonpartisan, independent external auditor with broad authority to audit state agencies, departments, institutions of higher education, and the Judicial and Legislative Branches. The OSA also conducts evaluations of the State’s tax expenditures (e.g., credits, exemptions, deductions) established in statute, administers a fraud reporting hotline, and tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law. The OSA’s professional staff serve the people of Colorado by addressing relevant public issues through high-quality, objective audits, evaluations, and other work products that promote accountability and positive change in government.

####