



STATE COURT ADMINISTRATION

Iowa Judicial Branch Building
1111 East Court Avenue
Des Moines, IA 50319

MEMORANDUM

TO: Bob Gast, State Court Administrator
FROM: Kent Farver, Director of Finance
RE: Distribution Adjustment Total
DATE: October 22, 2024

The Judicial Branch collected the following amount of court debt during the past 4 years.

- FY 21 = \$145,004,282
- FY 22 = \$146,357,781
- FY 23 = \$147,306,812
- FY 24 = \$148,998,430

Over those same 4 years, the spreadsheet details court debt misallocation. The spreadsheet details that \$27,553,261 was over allocated to the state general fund. In contrast, the other state funds were under allocated \$23,603,716. Of this amount that should have gone to other state funds, the greatest amounts under allocated were: \$10,425,636 to the Road Use Tax Fund, \$7,226,184 to the Victim Compensation Fund (Crim Penalty VC Fund plus Vict Comp Fund columns), and \$4,051,809 to the Juvenile Detention Home Fund. The non-state funds (local governments) were under allocated the remaining \$3,949,545. Of that remaining non-state fund amount, notable aspects include \$7,202,119 under allocated to the counties for county attorney collection fees and cities over allocated \$1,604,660 for city fines due to a lack of county attorney collection fee being deducted. Additional details are provided in the spreadsheet.

The attached Distribution Adjustment Totals spreadsheet provides totals for the court debt funds that the Judicial Branch over allocated and under allocated due to the programming issues within the case management system. The data for these numbers was provided by JBIT through their query of the case management system and then compiled into this spreadsheet illustrating what was impacted and the dollar amounts.

This spreadsheet corresponds with the issues analyzed in the 2023 SCA report and the text on the spreadsheet in red corresponds with the issues analyzed in the October 2024 SCA Memo. The amounts misallocated by issue includes the legal issues analyzed as well as the technical changes made to provide county attorney collection fees to ensure county attorney collections programming operates the same as IDR collections programming. The amounts listed under the issue "Fees under section 602.8106(4)(a): Collection and Distribution" includes the technical

changes made to provide a county attorney collection fee on court debt that distributes 100% to the state, if a collection fee is provided to IDR when the case is in collections and the debt is not statutorily exempt from a collection fee. The amounts listed under the issue “Additional county attorney collection analysis” includes the technical changes made to provide a county attorney collection fee on court debt that does not distribute 100% to the state, if a collection fee is provided to IDR when the case is in collections and the debt is not statutorily exempt from a collection fee.

The attached Distribution Adjustment Totals spreadsheet is four pages, with each page representing a specific fiscal year. It begins with FY 2021 on page one and ends with FY 2024 on page 4. At the bottom of page 4, the four-year totals by segment and by column are included. Each fiscal year is categorized in three segments from left to right. The left segment is the funds flowing through to the state general fund, the middle segment shows the funds flowing to other state funds, and the far right segment is showing funds flowing to the non-state funds. On the far left hand side are the 14 programming issues identified. Each line in the spreadsheet corresponds to the programming issue and identifies the adjustments that would be necessary to correct the distribution of funds from the programming issue. Any negative number displayed indicates an overallocation. Any positive number indicates an under allocation. This spreadsheet is designed to show how a fund needs to be adjusted to be corrected.

All financial calculations are accurate to the best of our knowledge at this time. If we become aware of any limitations to the financial calculations or technical issues, we will provide updates. All financial calculations are based on county attorney collections before threshold is met. That means that the financial calculations include estimates that the county failed to receive its 28% collection fee, but the financial calculations do not account for the additional 5% collection fee county attorneys would have received if the county attorney collector had reached their threshold.