

OHIO AUDITOR OF STATE
KEITH FABER



Ohio Judicial Conference

Performance Audit

March 2026

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To the Governor's Office, General Assembly, Ohio Judicial Conference, Ohio Taxpayers, and Interested Citizens:

The Auditor of State's Office recently completed a performance audit of the Ohio Judicial Conference (the Conference). This service to the Conference and to the taxpayers of the state of Ohio is being provided at the request of the General Assembly.

This audit contains recommendations, supported by detailed analysis, to enhance the overall efficiency, effectiveness, and transparency of the Conference and its operations. This report has been provided to the Conference, and its contents have been discussed with appropriate staff and leadership.

It is my hope that the Conference will use the results of the performance audit as a resource for improving operational efficiency as well as service delivery effectiveness. The analyses contained within are intended to provide management with information, and in some cases, a range of options to consider while making decisions about their operations.

This performance audit report can be accessed online through the Auditor of State's website at <http://www.ohioauditor.gov> and choosing the "Search" option. Additional resources related to performance audits are also available on the Ohio Auditor of State's website.

Sincerely,

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

March 30, 2026

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Ohio Judicial Conference

Performance Audit Summary

WHAT WE LOOKED AT

The Ohio Judicial Conference (OJC or the Conference) is a non-partisan state agency that serves the judges of Ohio's judicial branch. The Conference was created by a vote of the State's judges in 1959 and was recognized as a statutory agency by the Ohio General Assembly in 1963. OJC's statutory purpose is to promote the exchange of information, encourage the uniformity of the application of law, and improve coordination amongst Ohio's judges. The Conference accomplishes this purpose by organizing committee meetings, statewide conferences, and continuing legal education activities for its members. OJC also serves as a liaison between the judiciary and the legislature by reviewing, analyzing, and commenting on active legislation that is relevant to the administration of justice. This function enables the State's judges to express opinions and make recommendations to improve the judiciary through a unified voice. Almost all of Ohio's 722 sitting judges are members of OJC, as well as some retired judges.

Legislatively mandated by House Bill 96 of the 136th General Assembly, the purpose of this audit is to identify any opportunities for improvement in the efficiency and effectiveness of OJC's operations, as well as to provide increased public transparency. We examined OJC's financial management structure and overall program efficacy, with a focus on funding sources and current policies and procedures. We also examined the operational structure of OJC, with a focus on identifying potential savings and efficiency opportunities as they relate to staffing, communication processes, and data strategy.

WHAT WE FOUND

We found several opportunities for improvement related to OJC's payroll and leave tracking processes and financial management, including significant internal control deficiencies that should be addressed immediately. First, we found that the Conference utilizes a manual process for payroll and leave tracking, which has resulted in a number of errors and instances of noncompliance with statutory requirements due to the lack of internal controls within the process. Additionally, we found that the Conference's employees are paid on two different pay schedules, causing an administrative burden and a financial liability related to employee leave payouts. Regarding OJC's financial management, we found that the Conference does not track its revenue at a level of detail or accuracy sufficient to facilitate strategic financial decision making. We also found that OJC does not have a formal fund balance policy in place regarding its unexpended revenue, resulting in a fund balance that is consistently higher than the Conference's stated target.

We found two additional opportunities for improvement related to the Conference’s operational management. OJC has the authority to produce judicial impact statements to inform the legislature of the impact that pending legislation may have on the judiciary. Over the past ten years, we found that the statements produced by the Conference have consistently not included all of the required effect elements outlined in the ORC. We also found that the Conference does not have formal, updated succession planning practices or onboarding documents. This has not been an issue recently because OJC has not onboarded a new employee in over five years. However, as multiple employees will soon be eligible for retirement, the Conference must address this to minimize the risk of institutional knowledge loss.

KEY OBSERVATIONS

Key Observation 1: Through our research and outreach to other states, we determined that the responsibilities and duties of OJC are commonly conducted within state governments. States that were identified as having a unified court system typically performed these functions within the court system. States with non-unified court systems, similar to Ohio, indicated that these functions were performed through an agency or entity under the direct supervision of the state supreme court or elsewhere within the judicial branch. Only two states that indicated these functions were fulfilled by a non-governmental entity. However, of the 32 states that responded to our survey, none indicated that the functions were performed by a standalone state agency in the same way as OJC.

Key Observation 2: Outside of State GRF appropriations, OJC’s primary sources of revenue are membership dues, meeting fees, and royalties from the publication and sale of Ohio Jury Instructions. Jury instructions are documents created to inform juries about the basic procedure of jury deliberation and the substance of the law on which their decision is based. The Conference is responsible for creating these documents, which is done through its Jury Instructions Committee. The Conference has licensing agreements with three publishers to distribute both of these volumes to courts and other judicial entities in Ohio. Over half of the states provide jury instructions for free, and there is ongoing federal court case activity surrounding these types of documents that could impact states’ ability to receive revenue from these documents. The Conference’s reliance on this revenue presents a risk if its ability to sell jury instructions is limited in the future.

Matter for Legislative Consideration: During the course of the audit, we identified multiple ways in which OJC is unique within the State of Ohio and compared to other states. These distinctive characteristics include lobbying on behalf of both statewide and locally elected judges, collecting membership dues while also receiving direct funding from the State GRF, providing support services to non-government entities, and receiving no direct oversight from any of the three branches of the government. While OJC is unique in comparison to other states in terms of structure and autonomy, it is similar to other states with respect to responsibilities or duties. The structure and funding of an organization is a policy matter, and we leave it to the

legislature for further consideration as it is unrelated to our performance evaluation of the Conference.

SUMMARY OF AUDIT RESULTS

Recommendation 1: The Conference processes payroll and tracks leave balances through a manual process. Staff members input their hours worked and leave taken into an Excel sheet, which the HR/fiscal officer and executive director are responsible for reviewing and approving. Upon reviewing this process and a sample of timesheets, we identified multiple errors that are the result of internal control deficiencies.

- Incorrect sick and personal leave conversions;
- Unexplained variations in vacation and sick leave balances;
- Inaccurate vacation leave accrual rates;
- Unreliable tracking and usage of compensatory time and other leave;
- Inability to verify payroll and leave information with OAKS; and,
- Discrepancies between timesheet information and badge entry data.

Implementing proper internal controls to prevent errors like these from occurring would ensure that OJC is compliant with statutory requirements, providing employees with their earned benefits, and appropriately using public funds. The Conference should implement sufficient controls and correct any internal control deficiencies causing the errors above to ensure accurate payroll and leave tracking moving forward. This could be accomplished by utilizing an automated payroll and timekeeping system. In order to fully correct these deficiencies, OJC must work with DAS to correct current leave balances. Additionally, the Conference should inquire with DAS regarding the services that are available to assist in improving its payroll processes.

Issue for Further Study 1: Payroll and leave tracking processes require robust internal controls to ensure that employees are being paid and accruing leave accurately and in accordance with statutory requirements. As outlined in **Recommendation 1**, manual processes necessitate a higher level of intentionality to achieve this. Currently, state agencies that choose to process their payroll through the self-service method are responsible for designing, implementing, and operating any internal controls in their processes. Although the Department of Administrative Services (DAS) must facilitate the actual payment of employees, it does not provide oversight into the processes used by agencies to track and approve time worked and leave taken by employees. Instead, DAS relies on individual state agencies, their leadership, and any external oversight entities to understand the timekeeping laws and ensure processes are accurate, reliable, and compliant. Given the increased risk of error that is present in manual processes, DAS and entities utilizing the self-service payroll method should consider conducting a thorough review of the payroll and leave tracking processes in place.

Recommendation 2: OJC’s employees are currently paid on two different pay cycles. Half of the staff members are on a biweekly delay cycle, which means that employees are paid for their hours worked within a given pay period after a two week delay. This pay cycle is the state standard in Ohio. The other half of the staff are on a biweekly current cycle, which means that employees are paid for their hours worked in a given pay period immediately upon the end of that pay period. This inconsistency represents an administrative difficulty, as well as a financial liability for the entity. Employers typically contribute to the statewide accrued leave liability fund on behalf of their employees that are paid on a biweekly delay cycle. This means that upon their separation from state service, their leave balances are paid out by a separate state reserve, rather than the individual entity’s budget. Employers do not pay into this fund on behalf of biweekly current employees, and therefore the entity is responsible for paying out their leave balances upon their retirement. The Conference should shift all employees to a biweekly delay pay cycle to alleviate the administrative burden and work with DAS to ensure that it is able to contribute to and utilize the accrued leave liability fund to avoid the future financial liability of leave payouts.

Recommendation 3: The revenue that OJC receives from membership dues, meeting fees, and the publication and sale of documents is recorded in OAKS and tracked internally through a manual process. Revenues are recorded in OAKS and assigned to one of three account codes based on high-level category descriptions. Due to the limited level of detail within OAKS, OJC maintains separate tracking documents to create more informative breakdowns for internal management use. Data within these documents is entered manually by OJC staff. The financial information contained within these documents was either unable to be compared to OAKS reports, or found to not reconcile. As a result, we could not confirm that OJC is using accurate and detailed financial information that is necessary to follow best practices regarding revenue monitoring and analysis. Without confidence in the accuracy of this detailed revenue data, the Conference may not be utilizing the most accurate information for planning for the future and making data driven financial decisions. OJC should improve its financial data tracking by implementing a process to ensure financial data in internal records accurately reconciles to the statewide accounting system.

Recommendation 4: Maintaining adequate fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. OJC maintains a fund balance using unexpended revenue from Fund 4030. However, the Conference does not have a formal policy in place that indicates a desirable minimum and maximum fund balance level. OJC does consistently utilize a benchmark for its fund balance in its biennial budget requests, although the actual fund balance is larger than this benchmark and it is based on the Conference’s total expenditures, rather than Fund 4030 expenditures specifically. Industry best practices emphasize the importance of a formal policy and provide guidance on minimum fund balance thresholds. OJC should establish a formal, written fund balance policy and apply it to the existing balance. Doing so would help the Conference maintain an adequate balance to address future unforeseen budgetary issues, while ensuring the balance is not higher than necessary.

Recommendation 5: OJC is authorized to publish judicial impact statements to inform the legislature of the impact that pending legislation may have on the judiciary, as well as to express judicial consensus and provide recommendations to improve legislation. While OJC has discretion regarding when to publish these statements, if it decides to publish a judicial impact statement, it is statutorily required to include an analysis of the fiscal effects, including a financial estimate, along with an analysis of the procedural and administrative effects of the piece of legislation under consideration. We found that over the past ten years, none of the judicial impact statements produced by OJC have included all three of these elements. The financial impact specifically has been identified by the Conference as the most difficult to include due to limited data available regarding court operations. However, OJC does not consistently conduct the outreach required by law to obtain this data. The Conference does not have a formal procedure in place for the creation of judicial impact statements, currently utilizing a template that does not explicitly include all of the required elements. While there is a formal policy for the approval of these statements, this policy does not reflect current practices. OJC should establish and update formal procedures and policies for the development and approval of judicial impact statements. Doing so will ensure that the Conference is performing all of its statutorily required responsibilities and providing the legislature with all of the information available to adequately inform its decision-making.

Recommendation 6: As a small entity with long-tenured employees, OJC has not recently experienced employee turnover and has employees that are largely siloed in their job duties. Two of the Conference’s eight employees will be eligible for retirement within the next five years. Due to this, it is critical that the Conference engages in effective succession planning efforts to ensure the continuity of its operations amidst this imminent employee turnover. While OJC is currently planning for the retirement of one employee, this practice is not formally documented or implemented uniformly across the organization. The documents utilized by the Conference for the onboarding of new employees contain elements recommended by best practices, but are not regularly updated, and therefore do not accurately reflect the OJC’s current operations. The Conference should formalize its succession planning practices and update its onboarding documentation to ensure that institutional knowledge can be transferred in the event of employee turnover or retirement.

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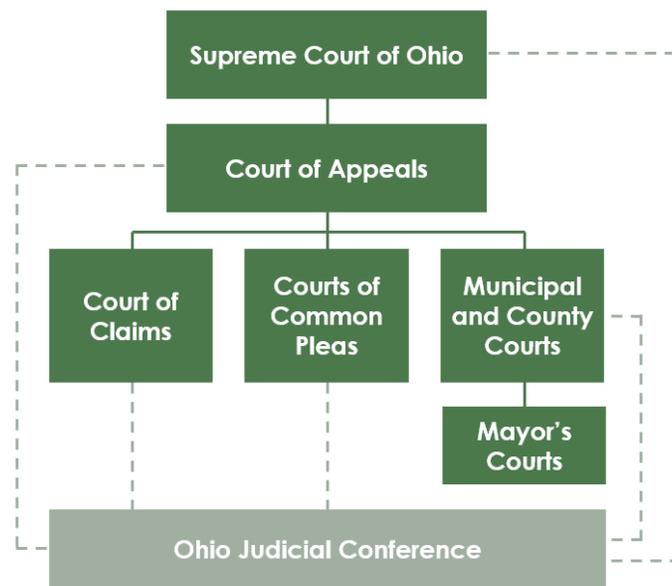
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Introduction

The Ohio Constitution establishes three distinct branches of the state government: the executive, legislative, and judicial branches. The judicial branch is responsible for the fair and impartial interpretation of state law and resolution of legal disputes. Ohio’s courts, and the judges that preside over these courts, are the core of the judicial branch.

Within Ohio’s court system, there is a hierarchy of courts. The Supreme Court of Ohio is the highest court, also referred to as the court of last resort. This means that the Supreme Court’s decisions are not subject to further review by any other court and are binding for all courts in the State. Below the Supreme Court are the Courts of Appeals, which primarily hear appeals from lower courts. There are twelve Courts of Appeals in Ohio, each of which serves one of the State’s appellate districts. Next, there are three different types of courts, all on the same hierarchical level. First, there is the Court of Claims, which is a singular statewide court that has original jurisdiction over all civil actions filed against the State of Ohio. Second, each county in Ohio has a Court of Common Pleas. These courts are responsible for domestic relations, juvenile, probate, and general criminal and civil cases. Finally, counties, cities, villages, and townships can have Municipal and/or County Courts, which have jurisdiction over minor offenses. Some cities and villages may also have a Mayor’s Court,¹ which handles violations of local ordinances and state traffic laws. Matters heard in Mayor’s Courts can be reheard in Municipal or County Courts. This hierarchy is displayed in the graphic to the right. For more information on Ohio’s court system, including funding sources, court jurisdiction, and judge composition, see [Appendix B](#).



Between all of these courts, there are 722 sitting judges in the State of Ohio, all of which are voluntary members of the Ohio Judicial Conference.² The Ohio Judicial Conference (OJC or the Conference) is a non-partisan state agency that serves the judges of Ohio’s judicial branch. The Ohio General Assembly established OJC in 1963 to promote the exchange of information, encourage the uniformity of the application of law, and improve coordination amongst Ohio’s

¹ The Ohio Judicial Conference has no affiliation with Mayor’s courts within Ohio.

² As of OJC’s July 2025 Greenbook published by the Legislative Service Commission.

judges. The Conference accomplishes this purpose by organizing committee meetings, statewide conferences, and continuing legal education activities for its members. OJC also serves as a liaison between the judiciary and the legislature by reviewing, analyzing, and commenting on active legislation that is relevant to the administration of justice. This mechanism enables the State’s judges to express opinions and make recommendations to improve the judiciary through a unified voice.

In House Bill 96 of the 136th General Assembly, the Ohio Legislature mandated that the Ohio Auditor of State complete a performance audit and financial audit of the Ohio Judicial Conference in accordance with Chapter 117 of the Ohio Revised Code (ORC).³ In August 2025, AOS initiated a performance and financial audit of the Ohio Judicial Conference at the direction of the legislature. The audit was designed to provide insight into the overall efficiency, effectiveness, and transparency of the entity’s operations. This report contains findings from our audit and recommendations which will assist organizational leadership in making operational decisions.

The financial audit of the Ohio Judicial Conference is conducted biannually, in accordance with ORC § 117.11. The most recent financial audit covered the period July 1, 2023 through June 30, 2025, the results of which include management letter comments about payroll and leave internal control deficiencies as noted in this report. A copy of this report may be requested here: [Ohio Auditor Report Request](#). The scope areas within this performance audit included financial audit components, in addition to the objective areas identified through the performance audit process.

³ Performance audits are conducted according to Generally Accepted Government Auditing Standards, see [Appendix A](#) for additional details.

Ohio Judicial Conference

Background

In 1958, judges in the State of Ohio began advocating for a statewide judicial organization consisting of all Ohio judges. There were rising concerns regarding the lack of a single agency representing all types of judges in the State. All of the existing judicial associations were organized along jurisdictional lines, meaning that each association only represented the judges presiding over one type of court. Additionally, the voice of the judiciary was being overpowered by the voice of the Ohio State Bar Association (OSBA), which is a voluntary professional association open to any person who is licensed to practice law in Ohio.⁴ While judges who are licensed to practice law are able to join OSBA, this association’s mission is to promote justice and advance the legal profession, whereas OJC’s purpose is to represent the judiciary.

The Supreme Court of Ohio and OSBA invited all of Ohio’s judges to a conference in 1959 to address these concerns. At this conference, the judges unanimously passed a resolution to create a Judicial Conference and an Executive Committee, which consisted of the Chief Justice and two judges from each of the different courts in the State. This Executive Committee created a constitution, which was adopted during the following year’s conference. For the next few years, the Ohio Judicial Conference met annually to discuss issues faced by the judiciary and outline activities to be undertaken over the next year. In 1963, the General Assembly recognized the Ohio Judicial Conference (OJC or the Conference) as a statutory entity, separate from the Supreme Court of Ohio. Initially, the Conference was funded entirely through the proceeds from the sale of jury instructions. The General Assembly appropriated funding to OJC from the State’s General Revenue Fund for the first time in SFY 1968.

Purpose & Duties

OJC represents all judges in Ohio, including members of the Supreme Court, Courts of Appeals, Common Pleas Courts, Probate Courts, Juvenile Courts, Domestic Relations Courts, Municipal Courts, and County Courts. Under the law that governs OJC, membership within the conference is voluntary for all judges. The general assembly tasked the Conference with the following duties, which have remained unchanged since OJC’s creation in statute:

- Study the coordination of the work of various courts in Ohio;
- Encourage uniformity of the application of the law, rules, and practice throughout the state within each division of the courts;

⁴ OSBA is not responsible for licensing attorneys; the Supreme Court of Ohio is the licensing body in the state.

- Promote an exchange of experience and suggestions respecting the operation of the judicial system;
- Consider the business and problems pertaining to the administration of justice and make recommendations for its improvement; and,
- Various other duties, see ORC § 105.95, 2111.01, 2329.66, and 5101.74 for specific details.

In practice, OJC has discretion in the activities it conducts to accomplish the purpose set forth in ORC. The Conference's activities can be split into two general categories: judicial functions and legislative functions. OJC's primary judicial function is the organization of meetings and educational opportunities to promote the collaboration and education of Ohio's judges. In addition to OJC's annual statewide conference, it works with judicial committees and associations in an administrative capacity. This includes tasks such as scheduling meetings, recording meeting minutes, processing dues, and communicating with members. OJC also collaborates with the Judicial College to provide continuing legal education⁵ opportunities to its judges. The Judicial College is an office within the Supreme Court of Ohio that provides continuing legal and professional education for judges, magistrates, acting judges, and non-judicial court personnel.

The Conference has also assumed the responsibility of publishing Ohio Jury Instructions. Jury instructions are written explanations of legal rules that a judge provides to a jury to guide their deliberations. These documents explain complicated points of law in simple terms. In Ohio, the State publishes these documents for legal professionals to use as the basis for the jury instructions they provide in their cases or courtrooms. Ohio jury instructions are also used in federal courts when Ohio law is involved in a case. OJC creates these documents through its Jury Instructions Committee, which includes four contracted employees. Two volumes, one for civil cases and one for criminal cases, are sold to courts and other entities through a contractor. OJC receives revenue from the publication royalties associated with these sales. The Conference publishes approximately 30 other types of documents related to judicial operations, including newsletters, judge directories, brochures, and guidebooks. OJC collects revenue from 12 of these publications, while the rest are offered free of charge. For a complete listing of the Conference's published documents and revenue collected, see [Appendix G](#).

The Conference's legislative function is primarily related to the monitoring and evaluation of legislation that is currently being considered by the General Assembly. OJC staff review all bills that are proposed by the legislature, identify those that may impact judges or the State's courts, analyze those identified, and obtain input from member judges. As a part of this responsibility, the General Assembly authorized OJC to research and prepare judicial impact statements in 1994. These statements are created to inform the General Assembly of the impact that pending legislation might have on the administration of justice and allow the Conference to offer

⁵ Judges are required to complete 40 hours of accredited CLE activities each year.

recommendations on how to improve the legislation, if necessary. OJC is not required to provide judicial impact statements, but may do so of its own initiative or at the request of any member of the General Assembly. If OJC does prepare a judicial impact statement, ORC outlines requirements for the distribution and content of these statements. For more information on these requirements, see [Recommendation 5](#).

However, not all of OJC’s legislative input reaches the level of a judicial impact statement. In practice, the Conference often opines on pending legislation in a more informal way, through conversations between OJC staff and relevant legislators or committee members. This outreach is conducted for any bill that will impact the judiciary, and only those with a significant level of impact are elevated to a judicial impact statement. OJC may also provide testimony to the legislature for these bills, delivered by either a member judge or OJC’s executive director. The decision to provide testimony may be made by the Conference’s member judges, or it can be requested by a legislator. In addition to these duties, OJC also promotes legislation that its members believe would be beneficial to the judiciary. The Joint Legislative Ethics Committee defines a lobbyist as “a person who is compensated to advocate the interests of another before Ohio’s legislative and executive branches of government.” As the Conference employs staff with the responsibility of advocating on behalf of Ohio’s judges before the legislature, these employees are considered to be lobbyists. As lobbyists, there are certain requirements that OJC must meet, including registering with and periodically submitting reports to the Office of the Legislative Inspector General (OLIG). These reports must be submitted three times a year with details about the Conference’s lobbying activities and any expenditures associated with these activities.

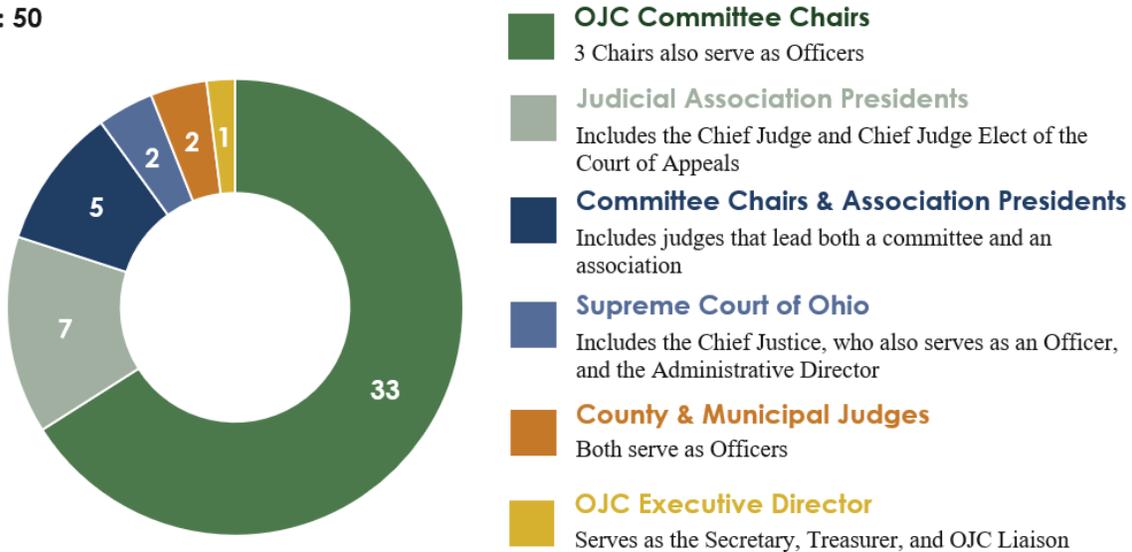
Judicial Committees & Associations

OJC’s operations are overseen and managed by an Executive Committee. The Executive Committee consists of fifty judges, including representatives from each of OJC’s 22 committees, the six judicial associations in Ohio,⁶ and all of the various types of court in the State. The graph below shows the breakdown of this representation.

⁶ Includes five nonprofit associations and one statutory association. For more information, see Page 8.

Executive Committee Composition

Total: 50



Source: OJC Biennial Report

As of SFY 2025, there was some overlap between the OJC committee chairs and judicial association presidents, with five association presidents also serving as chairs on an OJC committee. Seven of the Executive Committee members are officers, including the Chief Justice of the Supreme Court of Ohio, three committee chairs, two county and municipal judges, and the OJC Executive Director.

The Executive Committee meets quarterly to receive updates and consider recommendations from the committee chairs and association presidents, using this information to adopt resolutions to express judicial consensus. These resolutions and other decisions are adopted through a vote of the committee. This consensus is documented and published by OJC’s staff through judicial impact statements or policy statements, when necessary. Other decisions made by the Executive Committee include the establishment of policies and procedures for the Conference, the appointment of the Executive Director, and the recommendation of work to be completed by OJC. The Executive Director is responsible for overseeing the day-to-day operations of OJC’s employees and ensuring that their work is aligned with the recommendations of the Executive Committee. Executive Committee Officers are additionally responsible for conducting annual evaluations of OJC employees.

Over 200 of OJC’s member judges volunteer their time and expertise by serving on one or more of the Conference’s 22 committees. These committees are focused on a specific area of law or judicial operations, meeting regularly to discuss any pending legislation, judicial policies, or other matters related to its subject area. During these meetings, the committee comes to a consensus regarding its opinion on each matter and determines a recommendation, when necessary. This opinion and recommendation are then reported to the Executive Committee. The

following list shows the 22 committees within OJC. Each of these committees has a chair, or multiple co-chairs, and an OJC staff member designated to serve as a liaison to the committee members.

- Ad Hoc Committee on Diversity;⁷
- Appellate Law & Procedure Committee;
- Civil Law & Procedure Committee;
- Community Corrections Committee;
- Court Administration Committee;
- Court Technology Committee;
- Criminal Law & Procedure Committee;
- Domestic Relations Law & Procedure Committee;
- Executive Committee;
- Innovative Specialty Courts Committee;
- Judicial Education Committee;
- Judicial Ethics & Professionalism Committee;
- Judicial Officers & Organization Committee;
- Jury Instructions Committee;
- Jury Service Committee;
- Juvenile Law & Procedure Committee;
- Legislative Committee;
- Personnel & Office Administration Committee;
- Probate Law & Procedure Committee;
- Public Confidence & Community Outreach Committee;
- Retired Judges Committee; and,
- Traffic Law & Procedure Committee.

The majority of these committees meet quarterly, with the Legislative Committee and Jury Instructions Committee meeting monthly. Some committees also have an annual conference or retreat, in addition to the OJC-wide annual conference. The outputs of these meetings include judicial impact statement proposals, reports, and recommendations brought to the Executive Committee. The Jury Instructions Committee additionally produces the civil and criminal Ohio Jury Instructions, in collaboration with contracted staff.

From SFY 2021 to SFY 2025, 12 of the 22 committees had committee-specific expenditures tracked by OJC. These expenditures were related to items like food, awards, rentals, travel, supplies, and contracted services. All contracted services expenditures were attributed to the Jury Instructions Committee, which also had the highest level of expenditures overall. The second

⁷ While the Ad Hoc Committee on Diversity was a committee when this information was requested during the audit, it is now a subcommittee within another standing committee.

highest was the Court Technology Committee, which organizes an annual statewide educational conference.

OJC also provides professional support to the State's six judicial associations. While these associations are not established or governed by the Conference, they rely on OJC for their administration because they do not employ any permanent staff outside of their voluntary members. Three associations do contract their own lobbyists in addition to the services provided by OJC staff. Additionally, the leaders of these associations are on the Executive Committee, giving them a voice in the operations of the Conference. A listing of associations that interact with OJC is shown below.

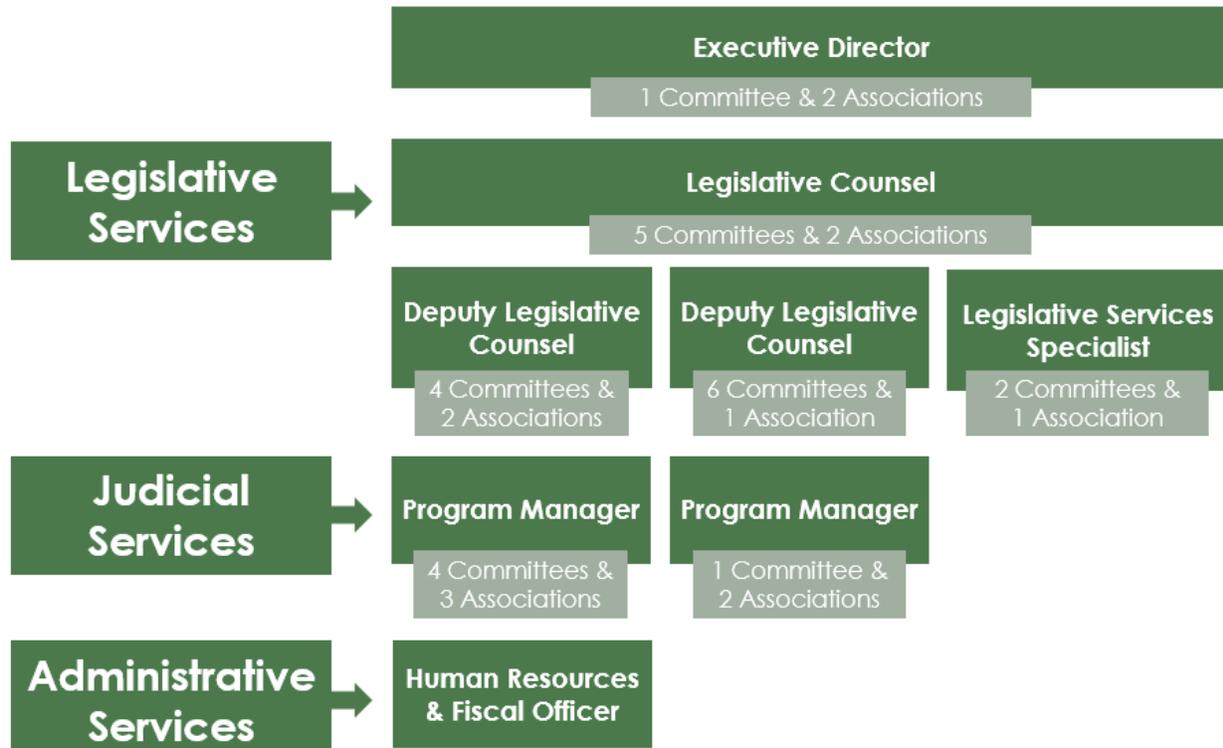
- Ohio Courts of Appeals Judges Association;
- Ohio Common Pleas Judges Association;
- Ohio Association of Domestic Relations Judges;
- Ohio Association of Juvenile Court Judges;
- Ohio Association of Probate Judges; and,
- Association of Municipal/County Judges of Ohio.

All of these associations are organized as nonprofit organizations, with the exception of the Ohio Courts of Appeals Judges Association. This association exists to meet the requirement established in ORC § 2501.03 for the judges of the State's Courts of Appeals to meet annually and assist with the implementation of OJC's goals.

OJC Staffing

OJC employs eight individuals, including the executive director, who are responsible for the administration associated with the committees and associations listed above, as well as the Conference's legislative activities and publications. OJC divides its employees into three categories, similar to the Conference's activities: judicial services, legislative services, and administrative services. The organizational chart below shows the employees within each of these OJC designated categories.

OJC Table of Organization



Source: OJC Table of Organization

As outlined in this organizational chart, the judicial and legislative employees are each responsible for one or more of the committees and associations, with some overlap between employees. This responsibility includes scheduling and organizing meetings, monitoring proposed legislation for relevant bills, communicating feedback to legislators, and addressing action items identified in meetings. In SFY 2025, OJC staff scheduled and organized a total of 193 meetings, conferences, and retreats. This organization includes scheduling a date and time, finding a venue, obtaining catering when needed, communicating meeting information to attendees, and facilitating the event.

In preparation for these meetings, OJC employees also monitor legislation to identify any bills that may potentially have an impact on their committees or associations. 1,052 bills were proposed by the 135th Ohio General Assembly (CY 2023 to CY 2024). OJC reviews all of these bills, identifies those that could impact the judiciary, summarizes and conducts research on the identified bills, and brings this information to the relevant committee or association to obtain feedback from the member judges. Employees then communicate this feedback to the legislators sponsoring the bill or the legislative committee reviewing the bill. If the Conference determines that the provision of testimony on a bill is necessary, the employees will also assist in writing this testimony. Additionally, the Conference’s employees are responsible for addressing any

other action items identified in meetings, which can include conducting research on a specific topic, scheduling additional meetings, or sending out information to member judges that were not in attendance.

OJC's legislative employees have additional responsibilities related to the review of Supreme Court rule amendments, OAC changes, and other policy proposals, as well as the creation and publication of the Conference's judicial impact statements and policy statements. These employees, as well as the executive director, also serve as the Conference's lobbyists, advocating for legislation or policy that OJC's members have established a consensus on. The judicial employees have additional responsibilities related to continuing legal education opportunities, newsletter publication, and database management. There is some overlap in the tasks completed by these two categories, including the development and publication of jury instructions.

The Conference's one administrative employee handles all of OJC's human resources and financial functions. This employee's human resources related duties include payroll and benefit management, interviewing and hiring new employees, purchasing office supplies, auditing personnel files, and addressing public inquiries. Financial duties include producing monthly fiscal reports, maintaining a ledger of expenses, analyzing fiscal information for accuracy and consistency, preparing and sending invoices, and assisting with the Conference's biennial budget request.

Currently, OJC operates on a hybrid work schedule, with employees working both remotely and in-office, as well as at other required meeting sites, such as the Ohio Statehouse. The Conference utilizes space in the Ohio Supreme Court building for staff to work in-person. However, there is no memorandum of understanding or other formal agreement regarding the use of this space, so OJC does not have a financial obligation for its office space. This has been the case since CY 2004. Utilizing this office space benefits the Conference by reducing costs, however, the lack of a formal agreement regarding the use of the space means that OJC may need to find other office space in the future. If this occurs, the Conference would be subject to a new financial obligation. To examine this further, we gathered information regarding office space utilization, which can be found in [Appendix C](#).

Similar Organizations

As a part of our performance audits, we typically identify organizations that are similar to the audited entity to use for peer comparisons. Two main components are used to identify similar organizations: structure and responsibilities. We attempted to find peer agencies for OJC in order to conduct a peer comparison regarding the Conference’s staffing and compensation. However, the nature and structure of OJC make the Conference a unique entity within the State of Ohio, as well as across the country. As previously discussed, OJC is a statutorily established entity with specific responsibilities and duties related to the judiciary and a membership that includes both statewide and locally elected judges. While this structure makes OJC unique, the Conference does share similarities in duties and responsibilities with entities both in Ohio and nationwide.

Legislative Function

One of OJC’s primary functions is to serve as a liaison between the judiciary and the legislature and advocate for legislation based on the consensus of opinions of the Conference’s member judges. As a state funded entity that advocates on behalf of state elected officials, OJC can be compared to the legislative teams that lobby on behalf of the Ohio Governor or the Supreme Court of Ohio. The primary difference between these teams and OJC is that legislative teams advocate on behalf of state elected officials only, whereas OJC advocates on behalf of both state and local elected officials. Additionally, legislative teams are one part of a larger state agency, not an individual statutory entity like OJC.

Organizations that advocate on behalf of local elected officials are typically not funded by the State of Ohio, although they may receive funding from local governments through membership dues. Examples of these organizations include the County Commissioners Association of Ohio, Ohio Township Association, and Ohio Municipal League, which are all organized as nonprofit entities. Three of the six judicial associations described previously also lobby on behalf of local judges. In addition to lobbying, organizations like these are responsible for similar activities to OJC’s, including the organization of meetings and provision of resources for members.

Educational Function

Another function of OJC that is shared by other entities is the provision of continuing legal education. The Supreme Court of Ohio requires all judges in the State to complete 40 hours of accredited continuing legal education every two years. This requirement is an effort to ensure the competent performance of the duties of all judicial offices in Ohio. In addition to direct instruction, these hours can also include self-study, publication credits, and teaching credits. All educational activities completed to meet this requirement must be reported to and approved by the Supreme Court of Ohio’s Commission on Continuing Legal Education.

Ten of the required 40 hours of education must be provided by the Judicial College, which is an office within the Supreme Court of Ohio that provides continuing legal and professional education to judges, magistrates, and non-judicial court personnel in Ohio. The Judicial College maintains a list of approved courses that judges and court personnel can register for. In-person courses are offered at a default rate of 50 dollars per day, while online courses are offered for free. OJC collaborates with the Judicial College to provide opportunities to meet this education requirement for its member judges.

Another provider of continuing legal education opportunities in Ohio is OSBA, although this organization's offerings are generally targeted towards attorneys, rather than judges. OSBA charges a fee for its courses and programs, although it does offer some complimentary and discounted courses to OSBA members.

Nationwide

In addition to looking at entities within Ohio, we conducted research on judicial organizations in other states in an attempt to identify agencies for a peer comparison. While we identified judicial organizations with similar functions to OJC, we were unable to find an organization with a comparable structure. In the United States, the federal government and state governments have their own court systems, which vary in structure, judicial selection, and the types of cases heard. Ohio's court system is structured as a hierarchy of courts, from the state supreme court down to county and municipal courts. As a result of this structure, judicial authority is distributed between many governmental entities and Ohio has judges at both the local and state level.

Many states utilize a more centralized court structure, referred to as a unified court system. While there is no universally agreed-upon definition of a unified court system, it generally consists of a court structure where all procedural and administrative authority falls to the state-level judicial branch. In this system, all judges are typically state employees, and all courts are subject to rules decided by one state entity. However, there is variation in how the unified court system functions between states. The National Center for State Courts identified 25 states which have language within their state code indicating that their court systems are operated in a unified structure. We identified an additional three states that operate as a unified court system through survey responses. As Ohio's court system is structured in a hierarchical and differentiated manner, it operates very differently than unified court systems. Many of the responsibilities performed by OJC would be performed within the judiciary in unified court system states, eliminating the need for other organizations to assist the courts. For this reason, we did not utilize any states with a unified court system for a national comparison.

In order to identify any states with a similar organization to OJC, we sent out a survey to all states inquiring about the existence of a state agency that advocates on behalf of judges, as well as asking if the state is responsible for completing the duties that OJC is tasked with. Specifically, we asked if the state governments use state funding to organize an annual meeting

of judges, employ legislative agents for judges, provide judicial recommendations to the legislature, and publish jury instructions. We received survey responses from 32 states.

From the 32 survey responses, we found that none of the responding states have a standalone agency with the same responsibilities as OJC. However, we did find that the majority of responding states conduct similar functions within their state government. States that were identified as having a unified court system typically performed these functions within the court system. There were nine states with non-unified court systems, similar to Ohio, which performed functions similar to OJC through an agency or entity under the direct supervision of the state supreme court or elsewhere within the judicial branch. Only two states that indicated these functions were fulfilled by a non-governmental entity. For a breakdown of the survey results by state, see [Appendix D](#).

We further examined the nine states that had dedicated governmental entities to identify how similar their responsibilities and funding were to OJC. In order to assess this, we focused on four key characteristics of the Conference. These characteristics are listed below.

- State funding is used to fund the organization’s operations;
- Organization has a mechanism to represent the opinions and recommendations of the judiciary to the legislature;
- State-employed staff provide services for the organization or judiciary; and,
- Organization coordinates a state-funded annual meeting for various levels of the state’s judiciary.

Using these four characteristics, we identified five states with all four characteristics in common with OJC. These states are Tennessee, Oregon, Indiana, Washington, and Mississippi. The organizations within each of these states are described in the state profiles below with their responses to the survey.

Judicial Conferences

Tennessee, Oregon, and Indiana all have a judicial conference. Tennessee specifically has two: one for trial and appellate judges and one for general session and municipal judges. None of these states’ conferences employ their own staff, instead receiving staff support from the Tennessee Administrative Office of the Courts, Oregon State Court Administrator’s Office, and Indiana Office of Judicial Administration, respectively. These staff members serve in a similar capacity to OJC’s employees, tracking and analyzing legislation, working with the judicial conference to develop the judiciary’s position on the legislation, and serving as liaisons to the state legislature. The primary difference between these conferences and OJC is that they are not standalone entities, instead falling within the judicial department or the supreme court.

Tennessee

State Funding		Conference expenses are funded by state funding, publication royalties, and membership dues.
Facilitate Judge Testimony		Conference's legislative committee and Administrative Office of the Courts liaison discuss legislation directly with state legislators.
State Provide Staffing		The Administrative Office of the Courts has two legislative liaisons who track legislation and work closely with the conference's legislative committee.
State Funding for Annual Meeting		There are three state-funded conferences held annually, with required attendance at the summer conference.

Source: Tennessee Response to State Survey

Oregon

State Funding		Conference is part of the judicial branch, so it is funded by state appropriations.
Facilitate Judge Testimony		Member judges, including the supreme court justice, represent the judiciary's stance on legislation.
State Provide Staffing		The State Court Administrator's Office tracks and analyzes legislation on behalf of the conference.
State Funding for Annual Meeting		The conference has an annual meeting for judicial education and discussions pertaining to law changes, current events, and relevant issues.

Source: Oregon Response to State Survey

Indiana

State Funding		State appropriations are used to fund the annual meeting and other conference activities through the Office of Judicial Administration, which is a part of the Indiana Supreme Court.
Facilitate Judge Testimony		Conference members collaborate with legislators to propose or provide feedback on legislation. Interaction ranges from informal feedback to formal testimonies.
State Provide Staffing		The conference is served by the staff of the Office of Judicial Administration.
State Funding for Annual Meeting		The conference is statutorily obligated to hold an annual meeting.

Source: Indiana Response to State Survey

Administrative Offices of the Courts

Washington and Mississippi do not have judicial conferences; however, they have organizations with similar responsibilities called the Administrative Offices of the Courts (AOCs).

Washington’s AOC does not have the specific purpose of representing judges to the legislature, like OJC, but does perform many of the same duties, including organizing a state-funded annual conference and monitoring legislation. This office also provides services to the Washington Board for Judicial Administration, which is charged with providing leadership to the state courts and developing policy to enhance the administration of the state’s court system. This board serves as the voice of the judiciary, similar to OJC.

Mississippi’s AOC is an office within the state’s judicial branch that represents judges over certain jurisdictions. This office employs permanent staff members who track and analyze legislation pertaining to the courts, provide legislative updates to judges, and advocate on behalf of judges. As a part of the judicial branch, the AOC receives state appropriations for its operations. This office is not responsible for hosting Mississippi’s three annual judicial conferences, nor does the state specifically appropriate state funding for these conferences. However, the Mississippi Judicial College covers conference expenses for certain groups of judges, while trial judges use their office appropriations to fund their attendance.

Washington

State Funding		State funding is used to support all AOC operations and some Board of Judicial Administration (BJA) operations.
Facilitate Judge Testimony		The BJA is the mechanism for judges to make recommendations or provide feedback comments to the legislature. This can happen through non-government judicial associations as well.
State Provide Staffing		AOC staff tracks legislation on behalf of the BJA, which is comprised of judges and supported by AOC staff.
State Funding for Annual Meeting		The AOC organizes a state-funded annual meeting that all judges are invited to.

Source: Washington Response to State Survey

Mississippi

State Funding		State funding is used to support AOC operations. However, the annual conferences are not funded through state appropriations, but instead through fees.
Facilitate Judge Testimony		AOC provides judges with information on relevant bills. The judges are permitted to address the legislature directly.
State Provide Staffing		AOC staff track and analyze legislation.
State Funding for Annual Meeting		The state has three conferences, two of which are hosted by the Mississippi Judicial College.

Source: Mississippi Response to State Survey

Jury Instructions

One of OJC’s primary revenue sources is the publication and sale of jury instructions. Two volumes of jury instructions are published in each state – civil and criminal. The Conference has licensing agreements with three publishers to distribute both of these volumes to courts and other judicial entities in Ohio. Of the other 49 states, 25 offer both volumes for free and an additional 7 states offer the criminal volume for free.⁸

⁸ Per Harvard Law School’s Cyberlaw Clinic, there is ongoing federal court activity that could limit the states’ ability to sell these documents. If this occurs, OJC would lose a significant source of revenue.

 **Matter for Legislative Consideration**

OJC is an independent state government entity that serves the judiciary at both state and local levels. The duties and responsibilities of the Conference, along with its revenue sources, make it a unique state agency in Ohio. Through our research and outreach to other states, we determined that the responsibilities and duties of OJC are commonly conducted within state governments. However, these duties generally fall to an organization that is directly overseen by the judiciary in some manner. None of the responding states indicated that the functions were performed by a standalone state agency in the same way as OJC. Additionally, other professional organizations in Ohio which are comprised of local or state elected officials are organized as non-profit membership organizations. Some of the ways in which we found OJC to be unique are listed below:

- One of OJC's responsibilities is lobbying on behalf of statewide and locally elected judges regarding relevant legislation. We were unable to find another state organization that used State GRF revenue to lobby on behalf of both statewide and locally elected government officials.
- The Conference is the only state agency we identified that collects membership dues while also receiving direct funding from the State GRF. However, many nonprofit organizations that perform similar responsibilities to OJC for locally elected government officials indirectly use state funding for their operations through the reimbursement of membership dues.
- OJC staff provide support and services to other non-state government entities as a part of their regular duties.
- There is no direct oversight of OJC from the General Assembly, Governor, or State Supreme Court. Budgetary oversight is provided through the biennial state budget and operational oversight is provided by the Conference's executive committee which is made up of judges, but the Conference generally operates in an autonomous fashion.

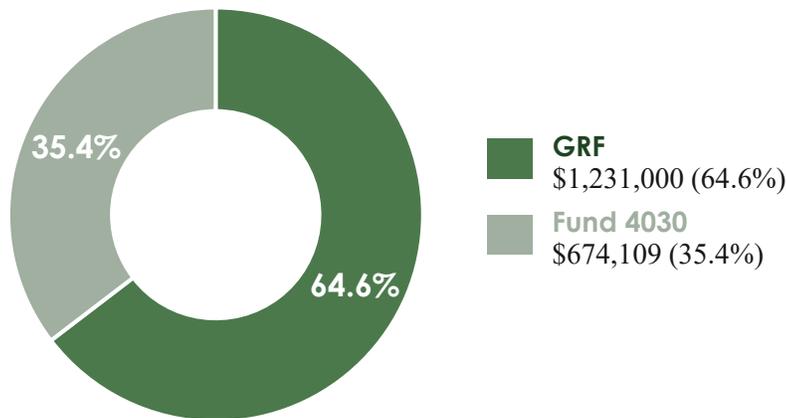
We found that the Conference is carrying out the purpose for which it was initially created and performing the responsibilities that it was statutorily assigned. However, OJC's structure is unique within the State of Ohio and across the country. In addition, during the course of our audit, we identified multiple internal control deficiencies and areas of noncompliance with ORC and OAC requirements, which are discussed in detail throughout the report. The structure and funding of an organization is a policy matter, and we leave it to the legislature for further consideration as it is unrelated to our performance evaluation of the Conference.

Financial Background

As a state entity, OJC receives funding from Ohio’s biennial budget. In State Fiscal Year (SFY) 2025, the Conference received approximately \$1.9 million in appropriations from the State’s budget. This funding comes from a combination of the State’s General Revenue Fund (GRF) and the Ohio Jury Instructions Fund (Fund 4030). Funding from the GRF represents 64.6 percent of the Conference’s appropriations, while Fund 4030 represents the other 35.4 percent. Fund 4030 is a dedicated purpose fund⁹ that consists of the revenues generated from the Conference’s annual membership dues, conference fees, and publication royalties. OJC collects \$250 in annual membership dues and between \$50-\$375 for meeting registrations from its member judges. Notably, some of this funding comes from local governments, as judges are often reimbursed by their jurisdiction for membership dues, registration fees, and travel expenses.¹⁰ The graph below shows this split of funding, which represents the entirety of OJC’s appropriations.

SFY 2025 OJC Appropriations

Total: \$1,905,109



Source: OAKS BI

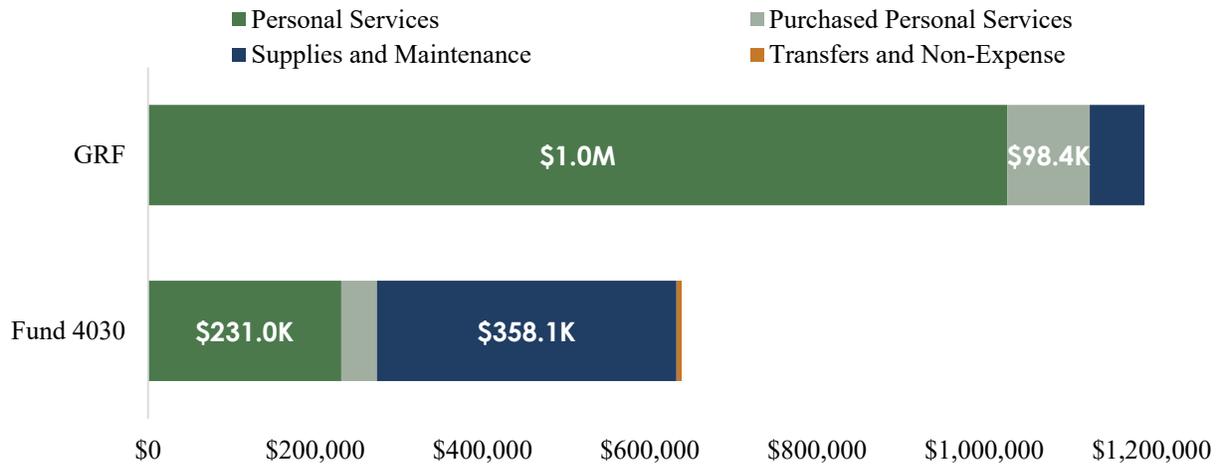
The appropriation that OJC receives from these two funds are used to support different aspects of the Conference’s operations. GRF funding is primarily used for day-to-day operational expenses, such as staff salaries and benefits. Fund 4030 funding supports the Conference’s activities and

⁹ According to OJC’s SFY 2026-2027 budget request, Fund 4030 is used to support production of the Ohio Jury Instructions, OJC committee travel and communication expenses, and OJC meetings such as the Annual Meeting and the Court Technology Conference.

¹⁰ The reimbursement of judges for their professional association dues was affirmed by the Ohio Attorney General in 1994 on the basis that the professional association membership is necessary for the operation of the court. Judges on state-funded courts (the Supreme Court of Ohio and Courts of Appeals) are reimbursed by the state for these expenses. Judges on the Court of Common Pleas, Municipal Courts, or County Courts are reimbursed by the local government(s) in their jurisdiction. Judges on the Court of Claims are incumbent judges and are therefore reimbursed by the local government(s) in their elected jurisdiction.

services related to judicial committee meetings, conferences, and seminars; the printing and publishing of jury instructions; and website maintenance and development. The graph below shows OJC’s expenditures, broken down by fund, for SFY 2025.

SFY 2025 OJC Expenditures by Fund



Source: OAKS BI

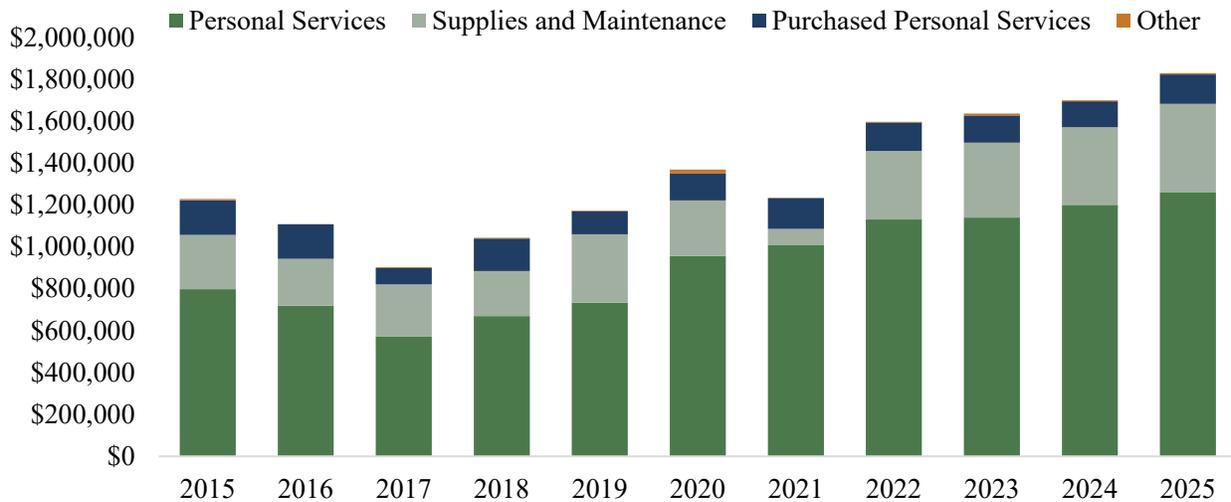
The personal services category within both funds consists of the salaries and benefits of OJC’s eight full-time employees. In SFY 2025, seven of the eight employees are paid out of the GRF, while the executive director was the only employee paid out of Fund 4030. The other categories represent different types of expenditures between the two funds. In the GRF, the purchased personal services category consists of membership dues that OJC is required to pay on behalf of the State for Ohio’s membership to the National Conference of Commissioners on Uniform State Laws.¹¹ OJC functions as a passthrough agency for these funds. The supplies and maintenance category represents expenses related to office supplies and information technology systems.

In Fund 4030, purchased personal services primarily consists of expenses for administrative and management services that are contracted out, as well as membership dues and vendor fees. The supplies and maintenance category represents a variety of expenses related to the meetings, conferences, and seminars facilitated by OJC and the Conference’s publications. This includes expenses for food, lodging, mileage reimbursement, facility rentals, printing, binding, and other supplies. Finally, the transfers and non-expense category consists entirely of refunds that are issued as a result of cancelled meetings.

¹¹ The National Conference of Commissioners on Uniform State Laws, also known as the Uniform Law Commission, is an organization of state-appointed lawyers, judges, legislators, and law professors who research, draft, and promote enactment of uniform state laws in areas of state law where uniformity is desirable and practical.

The Conference’s expenditures have been generally increasing over the past eleven years, with the exception of two dips in SFY 2017 and SFY 2021. Personal services expenditures have increased by 57.7 percent, and supplies and maintenance expenditures have increased by 63.9 percent. Purchased personal services, transfers, non-expenses, and equipment expenditures have all decreased. The graph below displays these trends.

OJC Expenditures by Category SFY 2015-2025

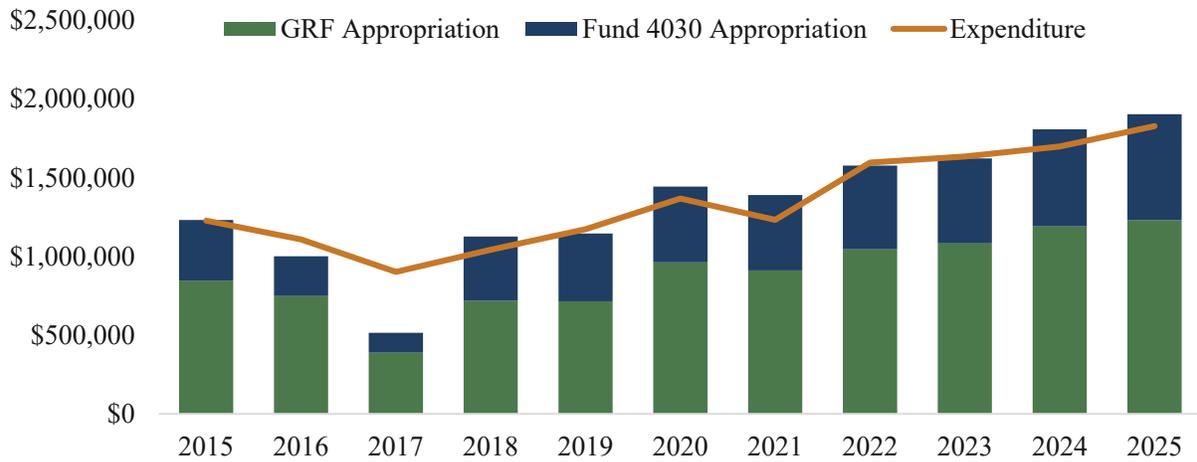


Source: OAKS BI

Note: Other includes transfers, non-expenses, and equipment.

Over this time period, OJC’s appropriations have been increasing as well, with the exception of a large dip in SFY 2017. This decrease in appropriations caused a significant reduction in staff, as multiple staff members were transferred to the Supreme Court of Ohio. The decrease in expenditures in SFY 2021 is attributed to the effects of the COVID-19 pandemic. OJC had fewer in-person meetings this year, resulting in a decrease in expenditures. From SFY 2015 to SFY 2025, the Conference’s total appropriations have increased from \$1.2 million to \$1.9 million while its expenditures have increased from \$1.2 million to \$1.8 million. This represents an increase of 54.6 percent for appropriations and 48.9 percent for expenditures. The graph below displays these trends.

OJC Appropriations & Expenditures from SFY 2015-2025

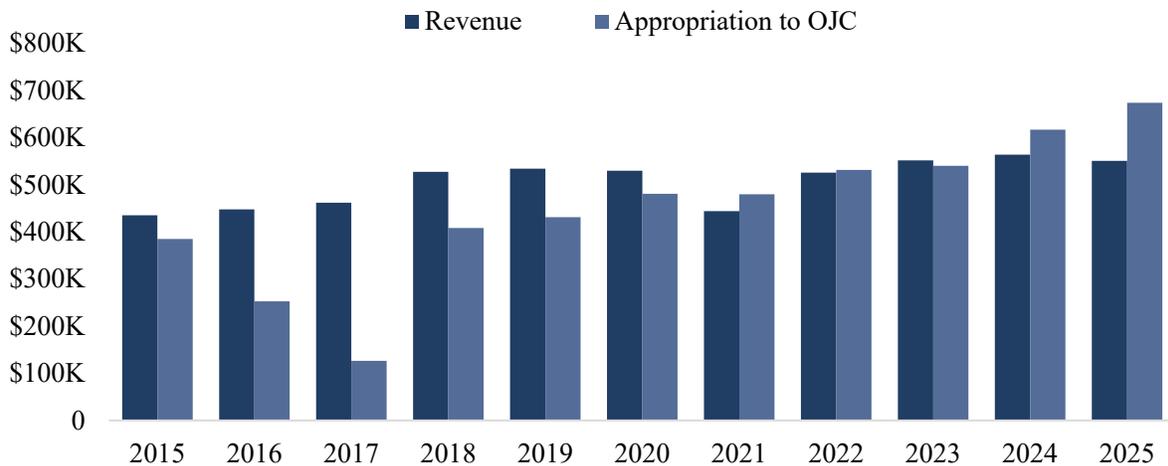


Source: OAKS BI

Note: Appropriations are initial appropriations as indicated in OJC's Greenbooks. Any adjustments to these appropriations throughout the biennium are not captured here.

The appropriations for Fund 4030 shown in the graph above are not equivalent to the amount of revenue generated within this fund. Although this revenue is generated through OJC's operations, the General Assembly must still authorize the Conference to utilize this revenue through an appropriation because it is a state fund. The following graph shows the revenue generated within Fund 4030 compared to the amount appropriated to OJC over the past ten years.

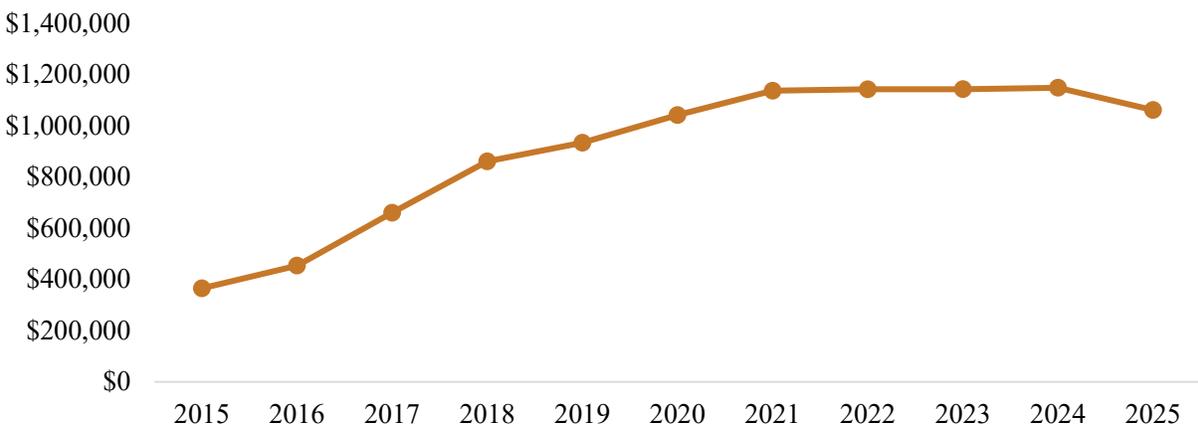
Fund 4030 Revenue vs Appropriation to OJC



Source: OAKS BI

In years when the appropriation to OJC exceeds Fund 4030 revenue, the Conference draws down funding from the available fund balance. A fund balance is available resources maintained by an organization that can be used to support operations when current year expenditures exceed current revenue. Maintaining an adequate fund balance is critical for organizations to mitigate current and future risks, such as revenue shortfalls or unexpected expenditures. Despite the occasional withdrawal of funds from the Fund 4030 balance, the balance has grown steadily over the past eleven years. The graph below shows this growth.

OJC Fund 4030 Balance from SFY 2015 to SFY 2025



Source: OAKS BI

OJC’s fund balance has increased by 190 percent over this time period, with an average annual increase of 10.9 percent. The fund balance grew steadily from SFY 2015 to SFY 2021, hitting a plateau until SFY 2024. In SFY 2025, the fund balance decreased slightly to \$1.1 million, which is the Conference’s current balance. This fund balance represents 58.0 percent of OJC’s operating expenditures for the same year. For more information on how OJC’s fund balance compares to industry standards, see [Recommendation 4](#).

During the development of the State’s SFY 2026-2027 budget, OJC requested a 17 percent increase in its annual appropriation. The stated reason for this request was primarily due to the planned retirement of one of the Conference’s eight employees. As a part of its succession planning efforts, OJC is planning to hire a replacement for the retiring employee before their retirement date to allow for the transfer of institutional knowledge. In order to do this, OJC requested an increased level of funding to pay for an additional employee’s salary during the overlap period. This budget increase request was granted by the General Assembly, with the stipulation that OJC must receive a financial and performance audit during the biennium.

Summary of Audit Results

Our audit reviewed several operational areas and analyzed the Conference’s policies and procedures and compared them to best practices and industry standards. Specific areas of review for this audit included financial management, operational structure, and established responsibilities and assignments.

Our audit identified six recommendations and one issue for further study across these areas of review that can assist the Conference in improving overall efficiency and effectiveness. The audit, and the associated recommendations, also provides transparency to the stakeholders of OJC.

Financial Management

As stewards of taxpayer funding, government entities must engage in proper financial management to ensure public dollars are spent in an effective, efficient, and transparent manner. There are many elements within financial management, including budgeting, long-term financial planning, developing financial policies, and implementing internal controls. As a state agency, OJC is responsible for managing funding from the state GRF as well as funding generated by its operations. We reviewed the Conference’s practices and policies related to financial management, payroll, and timekeeping. Through this review, we identified multiple internal control issues that were then investigated further.

Recommendation 1: The Conference processes payroll and tracks leave balances through a manual process. Staff members input their hours worked and leave taken into an Excel sheet, which the HR/fiscal officer and executive director are responsible for reviewing and approving. Upon reviewing this process and a sample of timesheets, we identified multiple errors that are the result of internal control deficiencies.

- Incorrect sick and personal leave conversions;
- Unexplained variations in vacation and sick leave balances;
- Inaccurate vacation leave accrual rates;
- Unreliable tracking and usage of compensatory time and other leave;
- Inability to verify payroll and leave information with OAKS; and,
- Discrepancies between timesheet information and badge entry data.

Implementing proper internal controls to prevent errors like these from occurring would ensure that OJC is compliant with statutory requirements, providing employees with their earned benefits, and appropriately using public funds. The Conference should implement sufficient controls and correct any internal control deficiencies causing the errors above to ensure accurate payroll and leave tracking moving forward. This could be accomplished by utilizing an automated payroll and timekeeping system. In order to fully correct these deficiencies, OJC must

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work with DAS to correct current leave balances. Additionally, the Conference should inquire with DAS regarding the services that are available to assist in improving its payroll processes.

Issue for Further Study 1: Payroll and leave tracking processes require robust internal controls to ensure that employees are being paid and accruing leave accurately and in accordance with statutory requirements. As outlined in **Recommendation 1**, manual processes necessitate a higher level of intentionality to achieve this. Currently, state agencies that choose to process their payroll through the self-service method are responsible for designing, implementing, and operating any internal controls in their processes. Although the Department of Administrative Services (DAS) must facilitate the actual payment of employees, it does not provide oversight into the processes used by agencies to track and approve time worked and leave taken by employees. Instead, DAS relies on individual state agencies, their leadership, and any external oversight entities to understand the timekeeping laws and ensure processes are accurate, reliable, and compliant. Given the increased risk of error that is present in manual processes, DAS and entities utilizing the self-service payroll method should consider conducting a thorough review of the payroll and leave tracking processes in place.

Recommendation 2: OJC’s employees are currently paid on two different pay cycles. Half of the staff members are on a biweekly delay cycle, which means that employees are paid for their hours worked within a given pay period after a two-week delay. This pay cycle is the state standard in Ohio. The other half of the staff are on a biweekly current cycle, which means that employees are paid for their hours worked in a given pay period immediately upon the end of that pay period. This inconsistency represents an administrative difficulty, as well as a financial liability for the entity. Employers typically contribute to the statewide accrued leave liability fund on behalf of their employees that are paid on a biweekly delay cycle. This means that upon their separation from state service, their leave balances are paid out by a separate state reserve, rather than the individual entity’s budget. Employers do not pay into this fund on behalf of biweekly current employees, and therefore the entity is responsible for paying out their leave balances upon their retirement. The Conference should shift all employees to a biweekly delay pay cycle to alleviate the administrative burden and work with DAS to ensure that it is able to contribute to and utilize the accrued leave liability fund to avoid the future financial liability of leave payouts.

Recommendation 3: The revenue that OJC receives from membership dues, meeting fees, and the publication and sale of documents is recorded in OAKS and tracked internally through a manual process. Revenues are recorded in OAKS and assigned to one of three account codes based on high-level category descriptions. Due to the limited level of detail within OAKS, OJC maintains separate tracking documents to create more informative breakdowns for internal management use. Data within these documents is entered manually by OJC staff. The financial information contained within these documents was either unable to be compared to OAKS reports, or found to not reconcile. As a result, we could not confirm that OJC is using accurate and detailed financial information that is necessary to follow best practices regarding revenue monitoring and analysis. Without confidence in the accuracy of this detailed revenue data, the

Conference may not be utilizing the most accurate information for planning for the future and making data driven financial decisions. OJC should improve its financial data tracking by implementing a process to ensure financial data in internal records accurately reconciles to the statewide accounting system.

Recommendation 4: Maintaining adequate fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. OJC maintains a fund balance using unexpended revenue from Fund 4030. However, the Conference does not have a formal policy in place that indicates a desirable minimum and maximum fund balance level. OJC does consistently utilize a benchmark for its fund balance in its biennial budget requests, although the actual fund balance is larger than this benchmark and it is based on the Conference’s total expenditures, rather than Fund 4030 expenditures specifically. Industry best practices emphasize the importance of a formal policy and provide guidance on minimum fund balance thresholds. OJC should establish a formal, written fund balance policy and apply it to the existing balance. Doing so would help the Conference maintain an adequate balance to address future unforeseen budgetary issues, while ensuring the balance is not higher than necessary.

Operational Management

The Conference provides a multitude of services to Ohio’s state and local judges, including providing opportunities for judges to meet, discuss issues affecting the judiciary, and exchange ideas, as well as serving as the liaison between the State’s judges and the legislature. To accomplish this, OJC has a staff of eight employees that are overseen by the Executive Committee. We reviewed the Conference’s operations, including compliance with statutory requirements, published documents, supportive services, and the employee lifecycle.

Recommendation 5: OJC is authorized to publish judicial impact statements to inform the legislature of the impact that pending legislation may have on the judiciary, as well as to express judicial consensus and provide recommendations to improve legislation. While OJC has discretion regarding when to publish these statements, if it decides to publish a judicial impact statement, it is statutorily required to include an analysis of the fiscal effects, including a financial estimate, along with an analysis of the procedural and administrative effects of the piece of legislation under consideration. We found that over the past ten years, none of the judicial impact statements produced by OJC have included all three of these elements. The financial impact specifically has been identified by the Conference as the most difficult to include due to limited data available regarding court operations. However, OJC does not consistently conduct the outreach required by law to obtain this data. The Conference does not have a formal procedure in place for the creation of judicial impact statements, currently utilizing a template that does not explicitly include all of the required elements. While there is a formal policy for the approval of these statements, this policy does not reflect current practices. OJC should establish and update formal procedures and policies for the development and approval of judicial impact statements. Doing so will ensure that the Conference is performing all of its

statutorily required responsibilities and providing the legislature with all of the information available to adequately inform its decision-making.

Recommendation 6: As a small entity with long-tenured employees, OJC has not recently experienced employee turnover and has employees that are largely siloed in their job duties. Two of the Conference’s eight employees will be eligible for retirement within the next five years. Due to this, it is critical that the Conference engages in effective succession planning efforts to ensure the continuity of its operations amidst this imminent employee turnover. While OJC is currently planning for the retirement of one employee, this practice is not formally documented or implemented uniformly across the organization. The documents utilized by the Conference for the onboarding of new employees contain elements recommended by best practices, but are not regularly updated, and therefore do not accurately reflect the OJC’s current operations. The Conference should formalize its succession planning practices and update its onboarding documentation to ensure that institutional knowledge can be transferred in the event of employee turnover or retirement.

Financial Management

Proper financial management is one way that government entities can ensure public dollars are spent in an effective, efficient, and transparent manner. There are many elements within financial management, including budgeting, long-term financial planning, and developing financial policies. The creation of formal, written financial policies can help government entities institutionalize good financial management practices. Formal policies increase the likelihood that the desired practices are followed across employee turnover and leadership changes. By defining staff roles and responsibilities within certain procedures, policies can also determine the actions that employees are allowed to take and the level of oversight required by their superiors. This specificity enables organizational leadership to identify where issues may be occurring within certain processes. Finally, proper financial policies and procedures reduce the organization's financial risk, which is critical for entities that are stewards of public funding.

OJC creates its budget on a biennial basis as is required by the State's budget process. The Conference submits a budget request to the Office of Budget Management (OBM) every two years, outlining the amount of funding requested, what the funding will be used for, and the reasoning behind any increases. Although this is referred to as a budget request, Ohio law prohibits OBM or the Governor from modifying or rejecting budget requests from the judicial branch, which includes OJC.¹² Instead, the legislature is tasked with the oversight of OJC's funding and approval of its budget requests. During the creation of the Conference's budget request, OJC projects its future financial position to ensure that the funding requested and the organization's fund balance are sufficient to support the longevity of the Conference's operations.

Internal Controls

Organizations can improve financial stability and minimize the risk by implementing sufficient internal controls designed to identify, correct, and help prevent errors and fraud. Internal controls are the mechanisms, processes, and procedures implemented by an entity to ensure it achieves its objectives, reports reliable information about its operations, and complies with applicable laws and regulations. Examples of internal controls include requiring multiple levels of approval for transactions and using role-based access to segregate duties and restrict access to confidential information.

The Government Accountability Office (GAO) groups internal controls deficiencies into three categories: design, implementation, and operating effectiveness. The list below defines each of these categories.

¹² Per ORC § 126.02.

- A deficiency in design exists when a necessary control is missing or is not properly designed so that even if the control operates as designed, the control objective would not be met. An example of this deficiency is the absence of role-based access controls, resulting in employees having access to information that is not appropriate for their job responsibilities.
- A deficiency in implementation exists when a control is properly designed but not implemented correctly in the internal control system. An example of this deficiency is an organization that requires multiple levels of approval for transactions, but utilizes a system that permits transactions with only one level of approval to be processed.
- A deficiency in operating effectiveness exists when a properly designed control does not operate as designed or the person performing the control does not have the necessary competence or authority to perform the control effectively. An example of this deficiency is an employee signing off on transactions without having the knowledge necessary to evaluate their validity.

During the course of the audit, we examined OJC’s payroll, leave, and financial tracking processes, which are all conducted manually. While utilizing a manual system does not inherently constitute an internal controls issue, it can be more susceptible to deficiencies because it lacks the automated internal controls that information systems typically have.

Payroll & Leave Tracking

OJC manually tracks its biweekly payroll process with Microsoft Excel sheets. Each staff member is responsible for recording their time worked and leave taken in their respective Excel sheet. These sheets have formulas that are intended to adjust leave balances and hour totals based on the information entered. Staff members then sign physical or electronic copies of their timesheets for review and approval by the HR/fiscal officer and executive director. Once timesheets are approved, the HR/fiscal officer notifies the Ohio Department of Administrative Services (DAS) that the Conference’s staff are authorized to be paid for a full pay period.

We identified several internal control issues throughout this payroll process. Related to the design of internal controls, OJC lacked controls regulating vacation leave maximums, vacation leave accruals based on length of service, compensatory time tracking, and year-end leave

DAS Overpayment

During our review of OJC’s payroll process, we found that the Conference has overpaid DAS more than \$30,000 related to leave payouts. OJC has been making monthly contributions to the statewide accrued leave liability fund on behalf of two employees. However, through discussions with DAS, we learned that none of the Conference’s employees are covered by this fund. OJC and DAS should work together to resolve this overpayment and integrate the Conference into the accrued leave liability fund. For more information on this fund and the overpayments, see [Recommendation 2](#).

conversions.¹³ Additionally, related to implementation, OJC has formulas within its timesheets that are intended to calculate leave balances based on the employee’s previous balance and any leave taken in a given pay period. However, these formulas are not executing properly, resulting in incorrect leave balance calculations. The formulas are also not consistently password protected, although they are supposed to be, and the employee with the ability to edit them does not receive proper oversight. Finally, related to operating effectiveness, the employee responsible for reviewing timesheets, notifying DAS of timesheet approval, and facilitating leave conversion did not receive the training necessary to reliably carry out these responsibilities.

The identified internal control deficiencies have caused the Conference to inaccurately convert leave balances, issue incorrect leave balances to all of its staff members, and maintain inconsistent payroll records. These deficiencies and their impact on OJC will be discussed further in [Recommendation 1](#).

Financial Tracking

The Conference also manually tracks its financial data. OJC tracks non-payroll expenses by account code, payee, and dollar amount. Deposit activity is manually entered into an internal management document with deposit date, deposit ID and revenue code, with no specific source or other information recorded. In addition, the HR/Fiscal Officer manually records more detailed financial information within separate documents specific to various activities. This information is entered into the Ohio Administrative Knowledge System (OAKS), which is an information system used by all state agencies and public institutions of higher education in Ohio for payroll and human resources functions, accounting, budgeting, procurement, and asset management. The Conference’s HR/fiscal officer pulls financial information from these systems to use for internal financial reporting, projections, and budgeting.

While reviewing OJC’s internal financial records and the OAKS ledger, we identified account level discrepancies between the two. The HR/fiscal officer indicated that these discrepancies were likely due to typing errors when data was manually pulled from the financial management software. Utilizing this incorrect information has a negative impact on OJC’s ability to evaluate its financial condition and make financial decisions. This issue will be discussed further in [Recommendation 3](#).

¹³ Compensatory time is a type of paid time off that is accrued by employees who are not eligible for overtime pay when they work more than 80 hours in a two-week pay period. Year-end leave conversion is an opportunity for employees to convert their unused leave to pay, in accordance with OAC Rule 123:1-32-08.

Recommendation 1: Correct Internal Control Deficiencies in the Payroll Process

The Conference processes payroll and tracks leave balances through a manual process. Staff members input their hours worked and leave taken into an Excel sheet, which the HR/fiscal officer and executive director are responsible for reviewing and approving. Upon reviewing this process and a sample of timesheets, we identified multiple errors that are the result of internal control deficiencies.

- Incorrect sick and personal leave conversions;
- Unexplained variations in vacation and sick leave balances;
- Inaccurate vacation leave accrual rates;
- Unreliable tracking and usage of compensatory time and other leave;
- Inability to verify payroll and leave information with OAKS; and,
- Discrepancies between timesheet information and badge entry data.

Implementing proper internal controls to prevent errors like these from occurring would ensure that OJC is compliant with statutory requirements, providing employees with their earned benefits, and appropriately using public funds. The Conference should implement sufficient controls and correct any internal control deficiencies causing the errors above to ensure accurate payroll and leave tracking moving forward. This could be accomplished by utilizing an automated payroll and timekeeping system. In order to fully correct these deficiencies, OJC must work with DAS to correct current leave balances. Additionally, the Conference should inquire with DAS regarding the services that are available to assist in improving its payroll processes.

Impact

A payroll process without sufficient internal controls provides ample opportunity for errors, inconsistencies, and, in the worst cases, fraud. Personnel expenses often represent the largest portion of an organization's expenditures, as they do for OJC. These expenses include employee salaries, wages, and benefits. Due to this, errors or fraud occurring within the payroll process could potentially have a large financial impact on an organization's operations. It is critical to have proper internal controls within payroll and leave tracking systems to ensure that only authorized edits are made and that all relevant laws, regulations, and policies are being followed.

Methodology

As a part of our initial request for information, we requested a single timesheet to serve as an example of the Conference's payroll process. Upon reviewing this timesheet, we identified irregularities with unprotected cells and leave balances. As a result of this, we requested OJC's timesheet records for SFY 2021 to SFY 2025 and interviewed the employee responsible for administering payroll to develop a better understanding of the process. We reviewed this

additional documentation and process in comparison to ORC and OAC requirements, as well as internal control best practices to identify where and why inconsistencies were occurring.

Analysis

As previously discussed, OJC tracks payroll and leave balances through a manual process. The internal system utilized by the Conference for this purpose is Microsoft Excel. Individual staff members have access to an Excel sheet where they are responsible for recording their hours worked and leave used for each day in a pay period. Each of these Excel sheets includes a section that is intended to automatically calculate the employee's total hours worked and leave balance adjustments at the end of each pay period, which is supposed to be password protected to prevent unauthorized edits. While the executive director is involved with the payroll and timekeeping process per OJC policy, the HR/fiscal officer is the only employee accessing the password protected portion of the timesheets. This employee is largely responsible for facilitating the payroll process, and appears to be doing so with limited or ineffective oversight from the executive director.

After staff members fill out their timesheets for a pay period, the HR/fiscal officer and executive director are responsible for reviewing and verifying the information on a printed or electronic copy of the timesheet.¹⁴ Both of these individuals then provide their signatures to confirm they have reviewed the timesheet and found it to be accurate. The legislative counsel also provides a signature for the legislative staff they supervise. The HR/fiscal officer then scans or saves the signed copies of the timesheets to maintain payroll records, verifies timesheets and benefit information, and notifies DAS that the staff members are approved to be paid for a full pay period. Currently, the HR/fiscal officer is the only OJC employee who completes the last few steps of this process. This employee strategically schedules their time off to ensure they are always able to work when this must occur. The HR/fiscal officer indicated that in their absence, the Executive Director could complete the process, however OJC staff indicated that this has never occurred and that the executive director does not have the training necessary to do so. This represents an internal control deficiency and a succession planning issue, which is discussed further in [Recommendation 6](#).

The Conference typically does not enter any timesheet or leave information into OAKS, the system used by the State for payroll processing. Each pay period, staff members are paid for 80 hours through OAKS upon notification from the HR/fiscal officer that timesheets have been approved. This process is only modified for special cases, such as an employee receiving disability or maternity benefits. Notably, OJC does not enter leave usage into this system, instead tracking leave balances and accruals exclusively on the internal Excel timesheets. As a result, the timesheets are the only resource for verifying staff leave balances. If an OJC employee were to

¹⁴ The executive director is paid a salary approved by the Executive Committee and therefore does not complete a timesheet. This position also does not use or accrue leave.

depart the Conference for another state entity, the new employer would have to accept the leave balance stated in the internal tracking mechanism. We identified ten other state agencies that operate using a manual payroll process, all of which enter employee leave hours into OAKS as part of their timesheet submission process each pay period.

Not entering leave usage into OAKS could potentially cause an issue with sick leave pay. The OAC stipulates that if an employee uses more than 40 hours of sick leave in a year, the next 40 hours used are paid at 70 percent of the employee's base pay rate.¹⁵ The Conference does not have a mechanism in place to ensure this occurs. However, OJC indicated that its staff have never used more than 40 hours of sick leave, so it has not been an issue.

This manual process leaves a considerable opportunity for error due to a lack of internal controls. Proper internal controls prevent unauthorized users from accessing or editing information, ensure that processes comply with statutory requirements, and implement features to prevent a lack of employee knowledge or training from distorting the process. This can help safeguard an entity's assets and prevent legal vulnerabilities.

OJC's payroll process does have some internal controls in place, such as the review and signoff of timesheets by the executive director and the password protection of cells containing the calculation of total hours worked and leave balances. However, we found that the latter of these internal controls was not consistently implemented across the timesheets we reviewed. We found a number of errors and inconsistencies that were caused by internal control deficiencies, which are outlined in the following sections.

Leave Conversion

State employees accrue 3.1 hours of sick leave per pay period and receive a lump sum of 32 hours of personal leave each year. At the end of each calendar year, employees with unused sick and personal leave have the ability to either carry their leave balance forward to the next year or convert their unused leave hours to a cash benefit. A maximum of 40 hours of personal leave can be maintained, while there is no limit for sick leave hours. If staff members choose to convert their unused leave to a cash benefit, they are able to convert all of their unused personal leave. However, there is

Types of Leave

Vacation Leave: Accrued each pay period based on an employee's length of service. Can be used for any purpose.

Sick Leave: Accrued each pay period at a constant rate for all full-time employees. To be used for absence due to illness or injury.

Personal Leave: Credited annually for full-time employees. Can be used for any purpose.

Compensatory Time: Accrued by employees who are not eligible for overtime pay when they work more than the allowable amount of hours in a pay period. Can be used for any purpose.

OJC utilizes a few additional types of leave that are referred to as Other Leave. For more information on this, see [Appendix F](#).

¹⁵ Per OAC Rule 123:1-32-01, section C.

a limit on sick leave conversion, as staff are only able to convert up to 80 hours. The maximum number of sick leave hours that can be converted each year is reduced by the number of sick leave hours that an employee used from the first pay period of December of the previous year through the last pay period of November of the current year. Additionally, the number of sick leave hours used dictates the rate that unused hours can be cashed out at, based on the employee’s base rate of pay. The table below shows the rates established by OAC and reaffirmed by OJC internal policy.

Sick Leave Conversion Rates

Hours of Sick Leave Used YTD	Hours of Sick Leave Converted	Rate of Base Pay Able to be Converted
0 Hours	80 Hours	80%
0 to 8 Hours	72 to 79.9 Hours	75%
8 to 16.1 Hours	64 to 71.9 Hours	70%
16.1 to 24.1 Hours	56 to 63.9 Hours	65%
24.1 to 32.1 Hours	48 to 55.9 Hours	60%
More Than 32.1 Hours	Less than 47.9 Hours	55%

Source: OAC Rule 123:1-32-08

We examined the Conference’s sick leave conversion records from SFY 2020 to SFY 2024, verified the payout amounts with OAKS data, and found that the Conference had inaccurately converted sick leave hours to cash four times. OJC converted more sick leave hours than allowable on three separate occasions and converted sick leave hours at the wrong rate on one occasion. These issues are instances of noncompliance with OAC Rule 123:1-32.-08.

Additionally, the Conference failed to adjust staff sick leave balances after leave conversion in three out of the four years examined. In one year, the Conference did not adjust any of the employees’ sick leave balances, despite most of the staff opting to convert sick leave to cash benefit. As a result, OJC employees received both the leave carryover and leave conversion options in the year when this error occurred.

State employees can also choose to convert personal leave to sick leave, rather than to a cash benefit. Personal leave hours can either be converted to sick leave hours at an equal rate of exchange or to a cash benefit at an employee’s full base rate of pay. Over the five years examined, we identified two instances of the Conference allowing staff to convert their unused personal leave to both sick leave hours and cash.

**Identified leave conversion issues have been referred to the state financial audit division.*

We found that OJC’s inadequate internal controls over the leave conversion process are due to the design of the manual system and the lack of training and oversight of the employee responsible for the process. While utilizing a manual process does not inherently represent an

internal controls issue, there are no automated mechanisms or fail safes built into the system to ensure that leave conversion occurs in accordance with OAC requirements. The Conference's leave conversion process has no internal controls to prevent ineligible sick leave hours from being converted to cash, to ensure that sick leave hours are converted at the proper rate, or to only allow one type of conversion for personal leave hours. Converted sick leave is also not automatically removed from the employees' leave balances. Additionally, the employee overseeing the leave conversion process did not receive adequate training regarding leave conversions. Outside of templated financial and payroll documents, OJC had minimal structure in place to train this employee when they were first hired. This inadequate training is still impacting the Conference's operations, as the employee does not have a thorough knowledge of the relevant OAC requirements. For more information on the Conference's succession planning practices, see [Recommendation 6](#). Furthermore, neither OJC leadership nor DAS provides oversight of the Conference's leave conversion process. As a result of the weak internal controls around sick and personal leave conversion and timesheet leave balance adjustments, the Conference has granted some of its employees more leave hours and payout than is allowable by Ohio law and granted other employees less leave hours than they should have earned.

Leave Balances

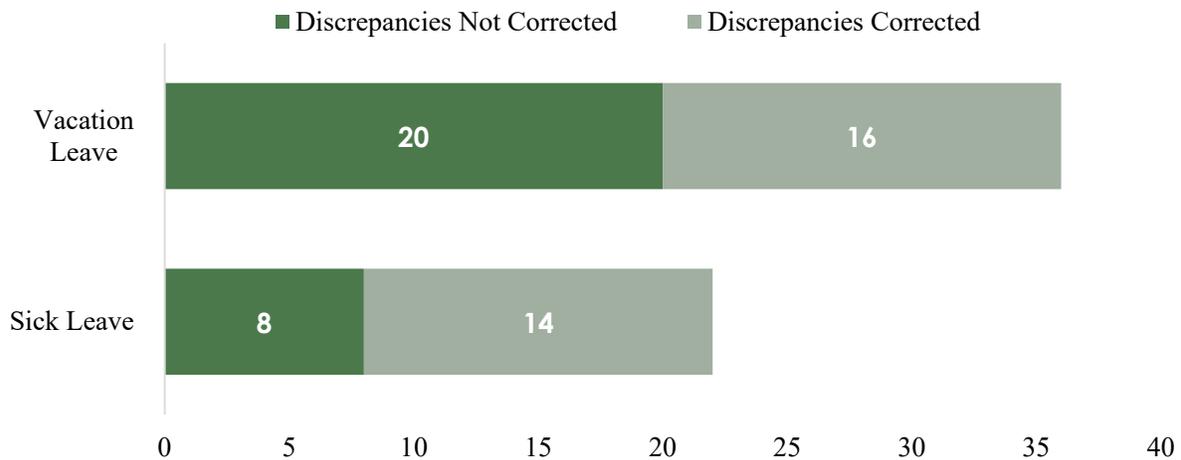
As previously mentioned, the Conference exclusively records employee leave balances internally, choosing not to enter this information into OAKS. We examined signed timesheet documentation, which includes leave balances, for all OJC staff members from SFY 2021 to SFY 2025 and found numerous discrepancies in leave balances over time. The timesheets utilize Excel formulas which are intended to accurately calculate leave balance changes over time. These formulas, which are supposed to be locked to prevent unauthorized edits, calculate an employee's leave balance at the end of a pay period by using the previous pay period's ending balance, applying the specific staff member's accrual rates, and subtracting any leave that was used.

Despite this formula driven process, we found multiple instances where the process failed to accurately calculate leave balances. The timesheets we reviewed contained 36 vacation leave balance discrepancies and 22 sick leave discrepancies, not including the sick leave conversion errors that were discussed previously. We also identified several occasions where OJC manually corrected values based on previous pay period errors.

**Identified leave balance issues have been referred to the state financial audit division.*

The graph below shows a breakdown of the discrepancies and corrections we identified by leave type. The discrepancies corrected category indicates accurate corrections of incorrect leave calculations taking place in the following pay period, while the discrepancies not corrected category indicates outstanding issues.

Leave Discrepancies & Corrections by Type



Source: OJC Timesheets

While the Conference did implement a formula driven process intended to automatically adjust leave balances, the formulas have not reliably or accurately adjusted leave balances between pay periods. This has created the need for manual corrections to leave balances, which provides an opportunity for errors. Our analysis could not identify the root cause of this issue, as we received the timesheets after the manual corrections had been made. However, it is likely due to either incorrectly implemented formulas or manual overrides of formulas. Regardless of the cause, the incorrect leave balance calculations occurring within the timesheet and the manual correction process has caused many OJC staff members to have incorrect leave balances at the time of our analysis.

Leave Accrual

While every full-time state employee accrues 3.1 hours of sick leave each pay period and receives 32 hours of personal leave each year, vacation leave accrual is dependent on an employee's length of service. The table below shows the breakdown for each tenure level for full-time employees.¹⁶

¹⁶ Based on an 80 hour pay period, for a total of 2,080 hours worked in a year.

Vacation Leave Accrual by Tenure Level

Length of Service	Accrual Rate	Annual Accrual	Maximum Accrual
Less than 4 years	3.1 hours	80 hours	240 hours
More than 4 but less than 9 years	4.6 hours	120 hours	360 hours
More than 9 but less than 14 years	6.2 hours	160 hours	480 hours
More than 14 but less than 19 years	6.9 hours	180 hours	540 hours
More than 19 but less than 24 years	7.7 hours	200 hours	600 hours
24 years or more	9.2 hours	240 hours	720 hours

Source: ORC § 124.134

Note: Annual accrual and maximum accrual amounts are rounded to the nearest ten.

The Conference does not have a process in place to assign the correct level of vacation leave accrual to its employees based on their length of service. OJC indicated that staff members are responsible for communicating when their accrual rate changes to the HR/fiscal officer, who is then responsible for verifying their length of service using OAKS data. We examined each staff member’s length of service and accrual rates from SFY 2021 to SFY 2025 and found that OJC had failed to adjust three staff members’ accrual rates on time. Two of these three staff members eventually had their accrual rates corrected, but did not receive the leave they should have been accruing before the change was made. The third staff member’s accrual rate was not corrected during the period examined.

In addition to accrual rates, ORC and OJC’s internal policy dictate the maximum amount of vacation leave hours that employees can accrue. ORC § 124.134 states that employees are not able to have a vacation leave balance exceeding triple their annual accrual, as displayed in the previous table, and any excess leave shall be eliminated from an employee’s leave balance. In the timeframe we examined, OJC’s employees had a vacation leave balance that exceeded this maximum 14 times, and this excess was not removed from the balances.

**Identified leave accrual issues have been referred to the state financial audit division.*

While the Conference utilizes Excel formulas intended to automatically calculate vacation leave accrual, the process for tracking accrual rates and maximum leave balances is entirely manual. The process for tracking accrual rates places the responsibility for ensuring rates are updated, when necessary, on the employees rather than the HR/fiscal officer. Additionally, the Excel sheets do not have a built-in mechanism to indicate when vacation leave balances exceed the maximum accrual level. This lack of internal controls caused three OJC staff members to not accrue the vacation leave they earned and multiple employees to accrue a vacation leave balance that exceeded the maximum amount allowable by law.

Compensatory Time

OJC has an internal policy for compensatory time accrual. This policy is important for the Conference because it experiences busier times of the year, particularly around the time of the annual meeting. OJC staff are able to accrue compensatory time, but only if they receive prior approval and work more than 85 hours in a pay period. The policy also states that employees must use their compensatory time within 120 days of its accrual. We examined OJC's compensatory time accrual and usage records and found that the balances were unreliable. Compensatory time balances frequently changed without a recorded reason. We also identified one instance where a staff member received compensatory time for hours that were not recorded and used the compensatory time after the 120-day period defined in the policy.

The HR/fiscal officer reported to us that they were not aware an expiration policy existed for compensatory time and thus did not have a control in place to prevent staff from using expired compensatory time, furthermore, the calculation system is not reliably recording compensatory time balances between pay periods.

**Identified issue has been referred to the state financial audit division.*

OAKS Data Entry

Upon notification from the HR/fiscal officer, the State's payroll system (OAKS) pays OJC staff for 80 hours of work at the end of each pay period. The Conference's payroll process includes a supervisory review of timesheets to verify that employees are accurately recording their time worked each pay period before this notification is sent. We examined OJC's signed timesheets and found four instances where less than 80 hours were recorded. The Conference provided updated versions of these timesheets that show a complete account of hours worked, however, this documentation was not consistent with the records initially provided during this audit.

Timesheets with incomplete time records indicate the Conference is not adequately reviewing these financial records to ensure all 80 hours are accounted for. Additionally, in our analysis of the Conference's office space utilization, we obtained data showing when OJC employees used their badge to enter the office. We compared this data to the information in employee timesheets, and determined that multiple employees were often arriving to the office later than was indicated in their timesheet on in-office days. Although OJC's policy dictates that employees are not paid for time spent commuting to work, this discrepancy suggests that there is no oversight to ensure that this policy is followed. In combination with the previously discussed errors, OJC's failure to adequately review timesheets indicates a pattern of irresponsibility by the Conference with respect to ensuring accurate timekeeping records.

**Identified issue has been referred to the state financial audit division.*

Correction of Internal Control Deficiencies

In order to correct these internal control deficiencies and ensure that employee leave balances, accrual rates, and conversions are accurate, OJC could utilize an automated payroll system approved by the DAS. While the Conference's current manual process is a method approved by DAS, it is not designed, implemented, or operated in a way that yields consistent, accurate, and compliant results. Switching to an automated payroll system with built-in internal controls would ensure that the payroll process is uniformly implemented and prevent unauthorized edits. Additionally, using a payroll system facilitated by DAS would ensure that leave accrual and conversion is compliant with ORC and OAC requirements.

While switching to an automated system may require increased expenditures for the Conference, both in upfront costs and a monthly premium, this could be a worthwhile investment. The additional cost associated with an automated system must be balanced with the benefits that would be achieved through sound internal controls. As a steward of public funding, it is critical that OJC ensures that the taxpayer dollars it receives are spent in an efficient, effective, and transparent manner, and investing in an automated system could assist with this responsibility. Regardless of the method chosen, OJC must address these internal control issues to ensure accurate payroll and leave tracking moving forward.

Conclusion

The Conference should correct the internal control deficiencies within its payroll process to ensure that OJC is tracking, accruing, and converting leave in accordance with statutory requirements. This could be accomplished by switching from the current manual process to an automated payroll and timekeeping system with built-in internal controls. Investing in an automated system would improve OJC's payroll process by decreasing the risk of errors. In order to fully correct these deficiencies, the Conference must also work with DAS to correct its employees' current leave balances.

Several of the internal control deficiencies and resulting issues have been referred to the state financial audit division for further investigation. Specific details relating to the Ohio Judicial Conference can be found in the Management Letter which can be requested here: [Ohio Auditor Report Request](#).

Issue for Further Study 1: Oversight Entities Should Consider Reviewing Agencies Utilizing a Self-Service Payroll Process

In Ohio, state agencies utilize multiple methods of processing payroll and tracking leave, including the manual self-service approach that is utilized by OJC. Other methods include the following.

- **Interfacing:** Employees track their time worked in an entity’s chosen timekeeping system. This information is sent to OAKS through the Time and Labor Interface. Employees are paid according to time entered into entity’s timekeeping system and sent to OAKS, rather than preset schedules. Interfacing entities send all time, including exceptions, through the interface. Six agencies utilize this method.
- **Non-Interfacing:** Employees use the OAKS timesheet to report their time worked. Once the online timesheet data or interfaced timesheet data reaches the Time and Labor Interface, the payroll process is the same for both interfacing and non-interfacing entities. Two groups of Non-Interfacing agencies exist:
 - **Time and Labor Self Service:** Employees are paid based on a preset work schedule in OAKS. Information is only entered into OAKS when employees take leave or work overtime. 41 agencies utilize this method.
 - **Online:** Entities which have not yet begun using Time and Labor Self Service. The employee’s time is automatically reported based on their assigned work schedule, and exceptions to work schedules are entered on the OAKS timesheet. 14 agencies utilize this method.
- **Kronos:** Employees track their time worked through the Kronos timekeeping system, which automatically sends information entered to OAKS. Employees are paid according to time entered into Kronos and sent to OAKS, rather than preset schedules. Once payroll processing is complete and OAKS leave accrual processes have run, a file is sent back to Kronos that updates the leave balances and grants the employees their accrual. 54 agencies utilize this method.

Payroll and leave tracking processes require robust internal controls to ensure that employees are being paid and accruing leave accurately and in accordance with legal requirements. As outlined in [Recommendation 1](#), manual processes necessitate a higher level of intentionality to achieve this. Our review of payroll process information from OJC and the Department of Administrative Services (DAS) points to a collaboration between individual entities and the State Human Resources Division of DAS. Individual entities are responsible for submitting time worked and leave taken through one of the four methods described above, and DAS is responsible for finalizing this information and facilitating the actual payment of employees. For the 14 state

agencies that choose to process their payroll through the self-service method,¹⁷ this means that they are responsible for designing, implementing, and operating any internal controls in their processes. DAS does not provide oversight into the processes used by these agencies to track and approve time worked and leave taken by employees, instead relying on individual state agencies, their leadership, and any external oversight entities to understand the timekeeping laws and ensure processes are accurate, reliable, and compliant.

Given the increased risk of error that is present in manual processes, DAS and entities utilizing the self-service payroll method should consider conducting a thorough review of the payroll and leave tracking processes in place. Specifically, individual entities should examine the presence and strength of internal controls within their payroll process, such as the training and knowledge of employees responsible for overseeing these processes. If no internal controls are present, the entities should design and implement internal controls or consider using a different payroll method. Entities can also inquire with DAS or OBM about the services available to them to assist with improving their payroll processes. DAS and OBM should be prepared to provide additional guidance and information surrounding the various timekeeping methods, as well as potentially collaborating with entities to assist in their review of internal controls within their payroll processes. Conducting this type of review would decrease the risk of errors and ensure that agencies are complying with statutory requirements.

Leave Conversion

One specific aspect of payroll that should be more closely monitored is leave conversion. Per OAC § 123:1-32-08, state agencies must report their employees' year-end leave conversion requests to DAS. During our review of the Conference's payroll processes, OJC indicated that DAS does not review the year-end leave conversions for the Conference's staff before approving the payout amounts. If the Department does not review these calculations or ensure that the processes for calculating leave conversions have adequate internal controls, there is a significant risk for inaccurate leave payouts and maintained balances.

Another safeguard that could be implemented to reduce this risk is requiring self-service agencies to input more information into OAKS. We identified ten other state agencies that also utilize self-service payroll and leave tracking processes. All ten of these agencies choose to enter employee leave information into OAKS, while OJC does not. Requiring agencies to enter leave balances and leave taken by category into OAKS each pay period would assist DAS with confirming year-end leave conversion and ensure that there is an official, state verified record of employee leave balances.

¹⁷ This count includes the Joint Medicaid Oversight Committee, which was disbanded by the General Assembly in the most recent budget bill. It also includes the Joint Education Oversight Committee and the Workers Compensation Council, which did not produce any payroll expenditures in the past six months via OAKS report query.

Recommendation 2: Shift All Employees to Biweekly Delay Pay Cycle

OJC’s employees are currently paid on two different pay cycles. Half of the staff members are on a biweekly delay cycle, which means that employees are paid for their hours worked within a given pay period after a two-week delay. This pay cycle is the state standard in Ohio. The other half of the staff are on a biweekly current cycle, which means that employees are paid for their hours worked in a given pay period immediately upon the end of that pay period. This inconsistency represents an administrative difficulty, as well as a financial liability for the entity. Employers typically contribute to the statewide accrued leave liability fund on behalf of their employees that are paid on a biweekly delay cycle. This means that upon their separation from state service, their leave balances are paid out by a separate state reserve, rather than the individual entity’s budget. Employers do not pay into this fund on behalf of biweekly current employees, and therefore the entity is responsible for paying out their leave balances upon their retirement. The Conference should shift all employees to a biweekly delay pay cycle to alleviate the administrative burden and work with DAS to ensure that it is able to contribute to and utilize the accrued leave liability fund to avoid the future financial liability of leave payouts.

Impact

The Conference faces a significant financial liability by having any employees on a biweekly current pay cycle. OJC is currently excluded from the accrued leave liability fund, which means they are responsible for paying out the accrued leave of all employees upon their departure from state employment.¹⁸ As of SFY 2024, this liability is valued at approximately \$208,000.¹⁹ Furthermore, OJC is responsible for paying out sick leave and personal leave conversions at each year’s end. Shifting these employees to the biweekly delay pay cycle and paying into the accrued leave liability fund would transfer this financial obligation to the state, preventing OJC from unexpectedly facing this large expense.

Methodology

During our review of the Conference’s payroll processes, we noticed that OJC employees were paid on two different pay cycles. We met with DAS and OJC to discuss this, as well as other payroll and timekeeping concerns.

¹⁸ This excludes the executive director, who is on the biweekly current pay cycle, but is not able to accrue leave.

¹⁹ This calculation is based on the employees’ current leave balances as of the end of SFY 2024, without adjustments for the inaccuracies identified in [Recommendation 1](#).

Analysis

Most state employees are paid on a biweekly basis. However, there are two different biweekly pay cycles that employees can be paid on. The first is biweekly current, in which employees are paid for their hours worked within a given pay period immediately upon the end of that pay period. For example, if an employee works from January 1st to the 15th, they are paid on January 15th for those hours worked. The second is biweekly delay, in which employees are paid for their hours worked within a given pay period after a two-week delay. In this case, an employee that works from January 1st to the 15th would be paid for those hours worked on January 28th. The biweekly delay pay cycle is the state standard in Ohio, as the judiciary is the only part of the state government that still utilizes the biweekly current pay cycle.

One significant difference between these two pay cycles is that employers typically pay into the statewide accrued leave liability fund on behalf of employees on the biweekly delay pay cycle, while they do not for employees on the biweekly current pay cycle. Employer contributions are calculated as a percentage of an agency's annual gross payroll expenditure for biweekly delay employees. The statewide accrued leave liability fund is then used to pay out employees' unused leave balances upon their retirement or departure from state employment, functioning similarly to an insurance pool, as well as to pay out year-end leave conversions. When biweekly current employees, who do not have a contribution to this fund made on their behalf, retire or depart state employment, the individual entity that they were working for is responsible for paying out their entire unused leave balance.

Half of OJC's employees are paid on a biweekly current pay cycle, while the other half are paid on a biweekly delay pay cycle. Specifically, any hourly employees hired prior to SFY 2016 are on the biweekly current cycle, while those hired during or after SFY 2016 are on the biweekly delay cycle.²⁰ OJC is the only state entity in Ohio that has employees on both of these pay cycles. This split of employees creates an administrative difficulty for the Conference, as the HR/fiscal officer, who is responsible for manually processing payroll for OJC's employees, must conduct the payroll process two separate times each pay period – once for biweekly delay employees, then again for biweekly current employees. This repetition of the manual process leads to more opportunity for error, in addition to those discussed in [Recommendation 1](#).

Having employees on a biweekly current pay cycle also creates a financial liability for the Conference. When these employees retire or otherwise leave state employment, OJC will be solely responsible for paying out their unused leave balances. While the Conference would be able to plan for this expense for retiring employees, if employees depart state employment for another reason, OJC will have much less time to prepare for the unexpected expense and would likely need to utilize its fund balance for this purpose.

²⁰ The executive director is on a biweekly current pay cycle, despite being hired in 2017, because it is a salaried position.

While four of OJC's employees are on the biweekly delay pay cycle, the Conference has only been making payments into the accrued leave liability fund for two of these employees. These two employees transferred to OJC from the Supreme Court, which was making contributions to the accrued leave liability fund on their behalf. When they came to OJC, the Conference continued to make these contributions, although OJC has not historically participated in the accrued leave liability fund. Through discussions with DAS, we learned that none of OJC's employees are currently covered by the fund, despite the Conference making contributions for these two employees since SFY 2019. As a result, OJC has overpaid DAS more than \$30,000. The Conference should work with DAS to resolve this overpayment, as well as take the necessary steps to integrate into the accrued leave liability fund.

Conclusion

OJC should shift all of its employees to a biweekly delay pay cycle and contribute to the accrued leave liability fund on behalf of all employees. Utilizing two different pay schedules has caused administrative difficulties, as well as putting the significant financial liability associated with leave payouts on OJC. Shifting all employees to biweekly delay would align the Conference with statewide practices and allow for a more streamlined payroll process. In doing so, OJC would be able to transfer the financial liability to the statewide fund used for this purpose. While this shift may pose logistical challenges due to the timing of paychecks, the long-term benefits to the Conference and the State would outweigh these difficulties.

Recommendation 3: Improve Revenue Data Tracking

The revenue that OJC receives from membership dues, meeting fees, and the publication and sale of documents is recorded in OAKS and tracked internally through a manual process. Revenues are recorded in OAKS and assigned to one of three account codes based on high-level category descriptions. Due to the limited level of detail within OAKS, OJC maintains separate tracking documents to create more informative breakdowns for internal management use. Data within these documents is entered manually by OJC staff. The financial information contained within these documents was either unable to be compared to OAKS reports, or found to not reconcile. As a result, we could not confirm that OJC is using accurate and detailed financial information that is necessary to follow best practices regarding revenue monitoring and analysis. Without confidence in the accuracy of this detailed revenue data, the Conference may not be utilizing the most accurate information for planning for the future and making data driven financial decisions. OJC should improve its financial data tracking by implementing a process to ensure financial data in internal records accurately reconciles to the statewide accounting system.

Impact

Maintaining accurate, detailed financial information is critical for an organization to appropriately allocate its resources, plan for the future, and make spending adjustments in real time. This is particularly important for public entities that are funded through taxpayer dollars, as they are trusted to be responsible stewards of public funding. Additionally, state agencies are required to create biennial budget requests in order to receive funding from the State. Utilizing detailed financial data to create this budget request provides an entity with the best opportunity to advocate for the funding it needs to support its current and future operations.

Methodology

We interviewed key personnel at OJC to develop an understanding of the entity's current financial policies and processes, then requested and reviewed supporting documentation. Specifically, we requested the Conference's internally tracked revenue and expenditure data, which we analyzed and compared to financial data from OAKS. We identified best practices related to financial data tracking and compared them to OJC's data and practices to identify opportunities for improvement.

Analysis

In addition to state GRF appropriations, OJC is funded through revenue generated by the Conference's operations. This revenue, which is held by the State in Fund 4030, primarily consists of membership dues, meeting and conference fees, and royalties from the publication of Ohio Jury Instructions. Revenue from these sources can be used for a wide variety of Conference activities and services, such as those related to judicial committee meetings and the publication of jury

instructions. However, funding still needs to be appropriated to OJC by the General Assembly during the biennial budget process for the Conference to use it.

The Conference’s HR/fiscal officer is responsible for depositing and tracking the revenue generated by OJC’s operations. OJC receives revenue through checks, which the HR/fiscal officer deposits into the State Treasury bank account using deposit slips and tamper evident bags provided by the bank or the State Treasurer’s office. The bank provides a receipt to document the deposit. The HR/fiscal officer manually enters the revenue amounts from the bank receipt into OAKS to create a pay-in/deposit for Fund 4030, then scans and uploads the bank receipt. After this information is entered into the system, the HR/fiscal officer runs a payment detail report to ensure that the revenue totals in the system match the bank receipt. Once this information is verified, a copy of the bank receipt and the payment detail report is sent as an attachment via email to the State Treasurer’s Office for review. The Treasurer’s approval in OAKS can be viewed by using the State Treasurer’s Online Pay In Balance System or by reviewing the deposit ID in OAKS. After confirming the State Treasurer’s approval, the HR/fiscal officer will manually pull revenue data from OAKS into an Excel spreadsheet to use for internal financial tracking and reporting.

In addition to the verification process done by the HR/fiscal officer and the State Treasurer’s Office, OJC’s internal policy calls for the executive director to review each step of the revenue deposit process for accuracy and completeness as needed. On a monthly basis, the HR/fiscal officer conducts a reconciliation process. During this process, the HR/fiscal officer reconciles the check receipt documentation with OAKS end of month reports to verify that the revenue balances are consistent between the documents. If any discrepancies are identified, the HR/fiscal officer is charged with investigating and correcting the discrepancy.

Within OAKS, there are account codes created by the Office of Budget and Management (OBM) to categorize state revenues. OJC utilizes three of these codes to categorize its Fund 4030 revenues, including the following.

- 430020 (Reports Printed Matter Sales): Used by OJC for revenue from published documents, such as brochures and the judges directory, and publication royalties from the sale of jury instructions;
- 450570 (Various Not Elsewhere Classified Revenue): Used by OJC for revenue from registrations, membership dues, and license fees for jury instructions; and,
- 470800 (Reimbursements Intragovernmental Services & Intrastate Transfers): Used by OJC for revenue from dues from the Supreme Court and the Courts of Appeals.

Notably, there is some overlap between the revenue that OJC chooses to deposit into each of these categories. Revenue from jury instructions is split into two separate categories, one of which is the same category utilized for revenue from membership dues. This overlap between revenue codes within OAKS data is problematic because no further level of detail exists. As a result, it is not possible to accurately break down the Conference’s revenues by source using data from OAKS. OJC does not utilize OAKS for further examining this data. Instead, deposits are manually entered

into an internal management document by deposit date and revenue code, with no specific source or other information recorded. In addition, the HR/Fiscal Officer manually records more detailed financial information within separate documents specific to various activities, however the data within these documents could not be reconciled with data within OAKS.

Recording financial data in this way makes it difficult to utilize the information for management purposes, such as for financial planning or strategic decision making. OJC is reliant on the revenue it generates from the sale of jury instructions. The manner in which this information is recorded within OAKS makes it difficult to isolate this revenue. While this information is available through invoices from the publisher, OJC was not able to provide to audit staff a document which aggregates and tracks all revenue with detailed information regarding activity type, such as jury instruction sales. This limits OJC's ability to make strategic financial decisions regarding the future of the organization if it is unable to continue to collect this revenue. An example of this impact is that the monthly financial reports presented by the Conference's staff to the executive committee only display revenue information at the high-level account categories. The lack of detail limits the possible takeaways for leadership and makes this process less effective.

Another issue with OJC's manual financial tracking process is that the information in the Conference's internal records does not always match the information within OAKS. OJC staff indicated that if there were inconsistencies between the two, it was due to typing errors, as the information is manually entered into the internal records from the financial management system that transmits information to OAKS. The lack of internal controls within this process, as discussed in the [Financial Management Background](#), contributes to unreliable financial data. Utilizing unreliable and potentially inaccurate financial data for future budget requests could cause issues such as over- or under-estimations of the funding needed by the Conference.

The Government Finance Officers Association (GFOA) provides guidelines for budget monitoring and evaluating financial performance. Regularly monitoring the budget in comparison to actual financial results provides organizations with the opportunity to adjust for variation in real time to ensure continuity of service delivery. Specifically related to revenues, the GFOA recommends that entities carefully analyze the sources of funding, with particular attention to the following.

- Seasonality, and whether it is comparable to prior observations;
- Any potential volatility and the resulting impacts;
- Trends in comparison to projections;
- One-time funding sources;
- Timing of revenues;
- Relationship to economic indicators and the resulting impacts;
- Changes in the policies or practices of overarching governments involved in the disbursement of revenues; and,
- Review of patterns at similar government entities.

While the Conference does attempt to monitor and analyze its revenue data, the data is not accurate or detailed enough to allow for a thorough analysis. A comparison of the Conference’s revenue data to the GFOA criteria was limited due to an inability to reconcile OAKS data with internal documents. Additionally, the discrepancies between OJC’s internal data and OAKS data suggest that the Conference’s staff are not adequately reviewing financial data. Ensuring that data is accurate is a prerequisite for analyzing revenue data at the level of detail recommended by the GFOA.

One option for the Conference to track revenues at a greater level of detail is to utilize the built-in functionalities in the state’s financial management system. For revenue entries, OAKS has a number of data fields that can be used to record details of deposits. These fields are listed below.

- Account Code;
- Deposit Date;
- Payment ID;
- Payment Amount;
- Status;
- Customer;
- Item ID; and,
- Entry Type or Reason.

Currently, OJC does not enter information for all of these data fields, specifically the last three. OAKS has the functionality to allow the Conference to create customer, item, and entry type or reason categories. Once created, OJC would be able to assign these categories to each revenue deposit, therefore enabling the Conference to maintain a more detailed breakdown of revenues. This would also improve the reporting functionality of OAKS, as OJC would be able to pull more detailed and specific reports. The Conference could consult with OBM or DAS for assistance with this, if necessary. However, OJC could also accomplish this by increasing the level of detail entered into its internal financial records.

Conclusion

The Conference should improve its revenue tracking process to more accurately track and utilize detailed revenue information. This should include tracking the amount of funding received from each of OJC’s revenue sources, ideally at a level of detail including individual payments by source, within an aggregated internal financial record keeping dataset or within OAKS. If utilizing OAKS for this purpose, OJC can consult with OBM or DAS for assistance. Increasing the detail recorded will enable the Conference to fully understand its reliance on various revenue sources, plan for any future changes, and request funding from the State accordingly. The revenue process should also include reconciling any financial records used internally with the information in OAKS to ensure that all financial information used internally is accurate and consistent. Improving data tracking to develop a better understanding of the Conference’s revenues will allow OJC to match its revenue sources with related expenditures to facilitate strategic decision making and budgeting.

Recommendation 4: Establish and Implement a Fund Balance Policy

Maintaining adequate fund balances helps entities to avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. OJC maintains a fund balance using unexpended revenue from Fund 4030. However, the Conference does not have a formal policy in place that indicates a desirable minimum and maximum fund balance level. OJC does consistently utilize a benchmark for its fund balance in its biennial budget requests, although the actual fund balance is larger than this benchmark and it is based on the Conference's total expenditures, rather than Fund 4030 expenditures specifically. Industry best practices emphasize the importance of a formal policy and provide guidance on minimum fund balance thresholds. OJC should establish a formal, written fund balance policy and apply it to the existing balance. Doing so would help the Conference maintain an adequate balance to address future unforeseen budgetary issues, while ensuring the balance is not higher than necessary.

Impact

Establishing a formalized fund balance policy that sets a minimum threshold has practical benefits that include a lower risk of insufficient cash flow to meet short-term obligations and better solvency in face of unexpected downturns. Additionally, establishing a maximum fund balance threshold would allow the Conference to determine if there is any additional funding available within the current fund balance that could be applied to current or planned operational needs.

Background

As discussed in the [Financial Background](#), OJC receives funding from the State's GRF, as well as Fund 4030, which represents revenue from the Conference's annual membership dues, meeting and conference fees, and publication royalties. At the end of each biennium, any unexpended revenue remaining in Fund 4030 is transferred to the fund balance. As OJC is the only entity that contributes revenue to this fund, the balance of Fund 4030 is considered OJC's fund balance for the purposes of this report. Alternatively, any unexpended money remaining in the Conference's GRF appropriation cannot be used to accrue a fund balance as it reverts back to the GRF in accordance with ORC §131.33.

Methodology

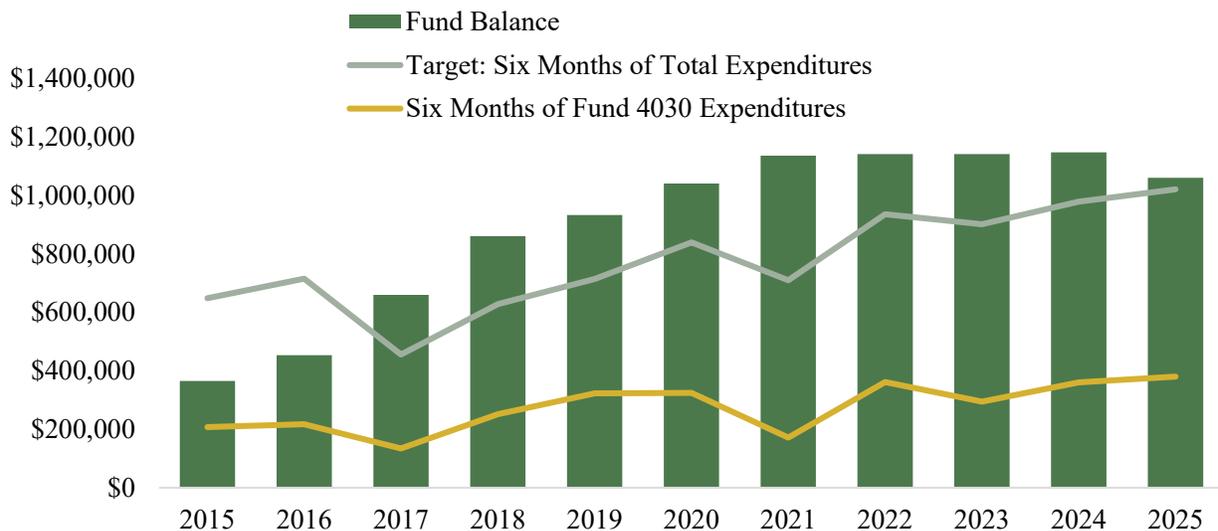
After reviewing OJC's appropriations and expenditures over the past ten years, we interviewed key personnel to develop an understanding of the Conference's current financial management policies and practices. We then obtained and analyzed data regarding OJC's fund balance over time to identify trends and compare to annual expenditures. Finally, we identified best practices for fund balance management from the GFOA and compared OJC to these best practices to identify opportunities for improvement.

Analysis

OJC does not have a formal, written policy guiding fund balance requirements. However, the fund balance is considered during the Conference’s biennial budgeting process and a consistent target is provided within OJC’s budget request. Each biennium, the HR/fiscal officer projects how long the current fund balance could sustain the entity’s operations in the absence of other revenues. In the Conference’s budget requests submitted to the Office of Budget and Management (OBM), the identified target for this projection is six months of OJC’s total operating expenditures. This includes expenditures from both the GRF appropriation and Fund 4030 revenues. OJC stated that this target is necessary due to fluctuations in expenditures and revenues related to contractual obligations and increases to payroll expenses.²¹

Notably, this target is representative of the Conference’s total operating expenditures, resulting in a target of approximately \$900,000 in SFY 2025. The target has varied over the past decade relative to the Conference’s annual expenditures, as reflected in the graph below. OJC’s fund balance has been above its identified six-month expenditure target for the past nine years. However, it is more common to use an individual fund’s expenditures as a benchmark for its fund balance. If this six-month expenditure target only included Fund 4030 expenditures, it would be approximately \$380,000 for SFY 2025. The following graph shows OJC’s fund balance over the past ten years in comparison to the Conference’s identified six-month expenditure target, as well as the same target for Fund 4030 specifically.

Fund 4030 Balance in Comparison to Targets



Source: OJC

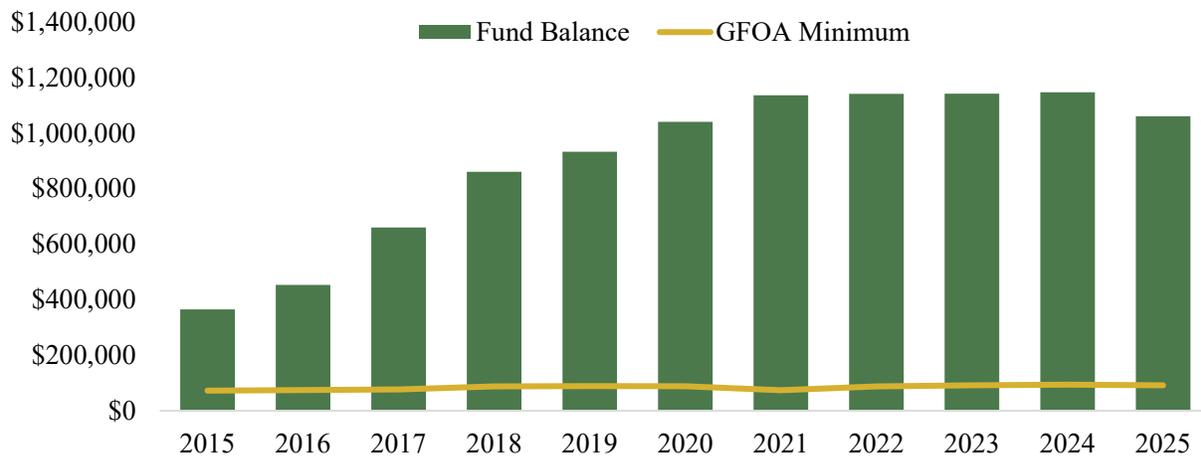
²¹ See [Appendix E](#) for the excerpt of OJC’s explanation of this fund balance target from its budget testimony.

OJC’s fund balance has been above its six-month target every year since SFY 2017. When comparing the fund balance to Fund 4030 expenditures specifically, it has been above the target in every year shown. The Conference’s fund balance has constituted between 176.1 percent and 661.8 percent of the six months of Fund 4030 expenditures in each year, with SFY 2015 being the lowest and SFY 2021 being the highest.

The Conference also stated it has a general goal to increase revenue and grow the fund balance. As shown in the graph above, OJC has increased its fund balance over the past ten years, with the first decrease occurring in SFY 2025 and an average annual increase of 10.9 percent. However, neither this goal, nor the projection target, are established in a formal, written fund balance policy. Over the same time period, GRF appropriations to the Conference have increased by an average of 8.5 percent each year.

The GFOA provides guidance to governmental entities in the development and maintenance of effective long-term planning. As a part of this guidance, the GFOA recommends that governments of all sizes should maintain a minimum of two months of regular operating revenues or expenditures in their fund balance. Since OJC is an agency within the larger state government, its operations are established and funded by the State of Ohio. This means that if the agency’s fund balance within Fund 4030 was depleted, the legislature would choose to either fully fund the agency with the state GRF or dissolve the agency. In other words, the Conference is not entirely dependent on its fund balance to ensure the continuity of its operations because it is subject to decisions made by the General Assembly. However, as OJC is a steward of public funding, the guidelines provided by the GFOA still represent best practices for the Conference’s financial management. The following graph shows OJC’s fund balance over the past ten years in comparison to this guideline. As shown in this graph, the Conference’s fund balance has been significantly higher than GFOA’s minimum threshold in every year displayed. Notably, GFOA criteria indicates a higher level of fund balance may be warranted if the entity is more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants.

Fund 4030 Balance in Comparison to GFOA Minimum



Source: OJC & GFOA

The GFOA further recommends that governments establish a formal policy regarding the level of fund balance that must be maintained. This policy should contain a framework for the increase or decrease of the fund balance over time, as well as guidelines for the allocation of resources to replenish the fund balance, should it fall below the minimum level. Establishing a policy in accordance with this guidance would ensure that OJC’s fund balance does not fall below the minimum acceptable level. Additionally, establishing a maximum level would potentially enable the Conference to identify any excess funding and use it for current or planned operations. This policy would also allow the Conference to provide an explanation of its reasoning for the level of fund balance chosen, if it is higher than best practices recommend.

Conclusion

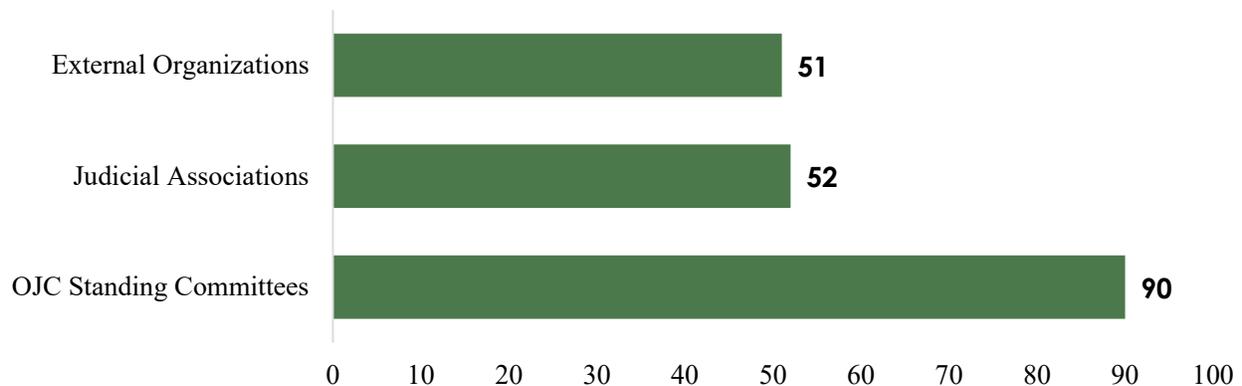
OJC should establish and implement a formal, written fund balance policy in accordance with best practices. While the Conference’s fund balance has increased steadily over the past ten years, the development of this policy would ensure that the fund balance does not fall below the desired level in the future. It would additionally assist the Conference with identifying if there are any excess funds available within the balance that could be used for current operations, as well as providing OJC with an opportunity to describe its reasoning behind the threshold chosen.

Operational Management

The Conference provides a multitude of services to Ohio’s state and local judges, including providing opportunities for judges to meet, discuss issues affecting the judiciary, and exchange ideas. This is primarily done through the OJC organized meetings and events for all judges, as well as the Conference’s 22 active committees. OJC also provides continuing legal education to its members, facilitates the publication of jury instructions, and produces informational documents and resources.

In SFY 2025, OJC staff attended 193 meetings and events. Most of these events were organized by OJC’s staff for the Conference’s active committees. Approximately a quarter were for the judicial associations, which are technically external entities but receive services from the Conference’s staff. Almost all of these associations are nonprofit entities, with the exception of one that is statutorily established. The remaining quarter were for other external organizations, such as the Ohio Supreme Court, the Ohio Coalition for Adult Protective Services, the Ohio Criminal Sentencing Juvenile Justice Subcommittee, the Ohio Attorney General Elder Abuse Committee, and the OSBA. The graph below displays the breakdown of these events by type. For more information on the activities of OJC committees, see [Appendix G](#).

SFY 2025 Meetings and Events Attended by OJC



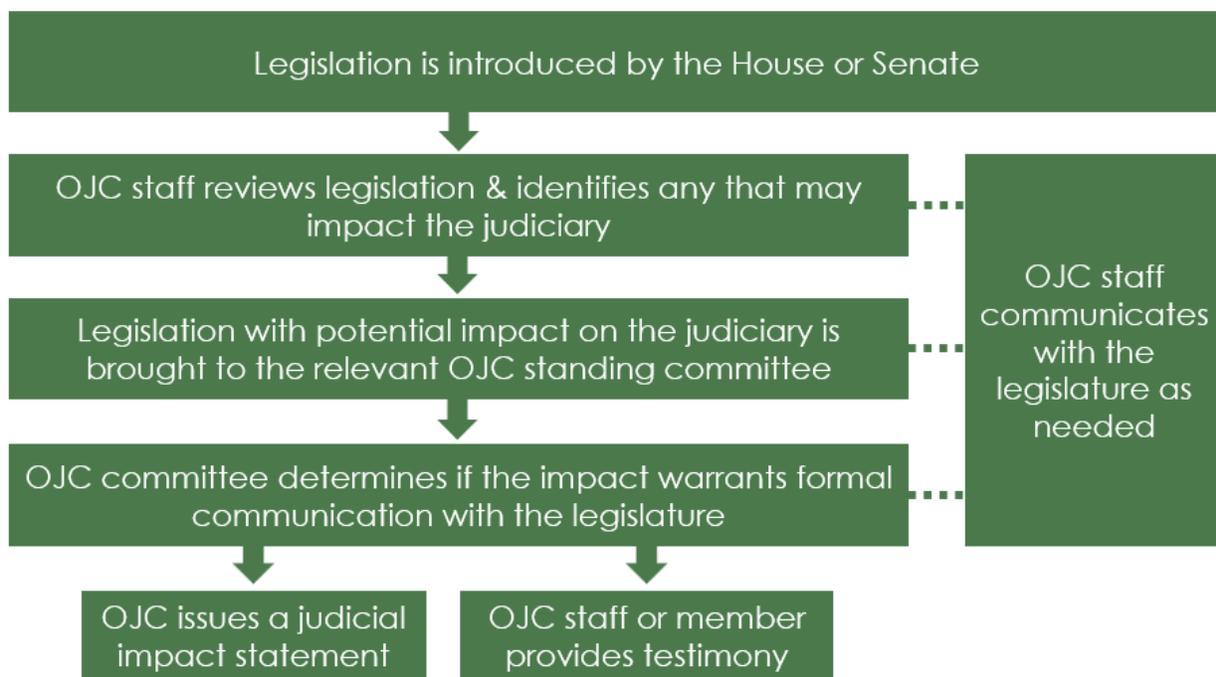
Source: OJC

In addition to these services, OJC serves as the liaison between the State’s judges and the legislature. The primary responsibility associated with this is the evaluation of legislation under consideration by the General Assembly. The Conference’s staff monitor all bills proposed by the legislature and identify those that may impact the judiciary. Specifically, the staff are looking for proposed legislation that appears to affect the revenues or expenditures of Ohio’s courts, the workload or caseload of Ohio’s judges and their staff members, or case disposition. These types of impacts are outlined in ORC § 105.911, which is the same section that authorizes OJC to publish judicial impact statements. In addition to these elements outlined in statute, the

Conference’s staff indicated that they also consider if the legislation would operate in courts as intended and if there is any conflict with other laws.

OJC staff review and analyze the bills and resolutions identified, then provide information on the legislation to the relevant OJC committees in order to obtain input from member judges regarding the potential impact. The Conference communicates this input to the legislature first through informal conversations with the bill sponsors or appropriate legislative committees. OJC committees can decide to elevate legislation with a significant judicial impact to the publication of a judicial impact statement or the provision of testimony. The flow chart below displays this process.

OJC Legislative Review Process



Source: OJC, Ohio Legislature

Through this process, OJC employees filter all of the legislation introduced by the General Assembly down to those which are relevant to the judiciary.²² From this group of bills, even fewer pieces of legislation are elevated by a committee to the level of a judicial impact statement or testimony provision. The graph below displays this filtering process for the 135th General Assembly, which covers CY 2023 to CY 2024.

²² OJC legislative staff estimated in an interview that approximately 10% of introduced bills are found to be relevant to the judiciary.

Legislation Reviewed in the 135th General Assembly (CY 2023-2024)

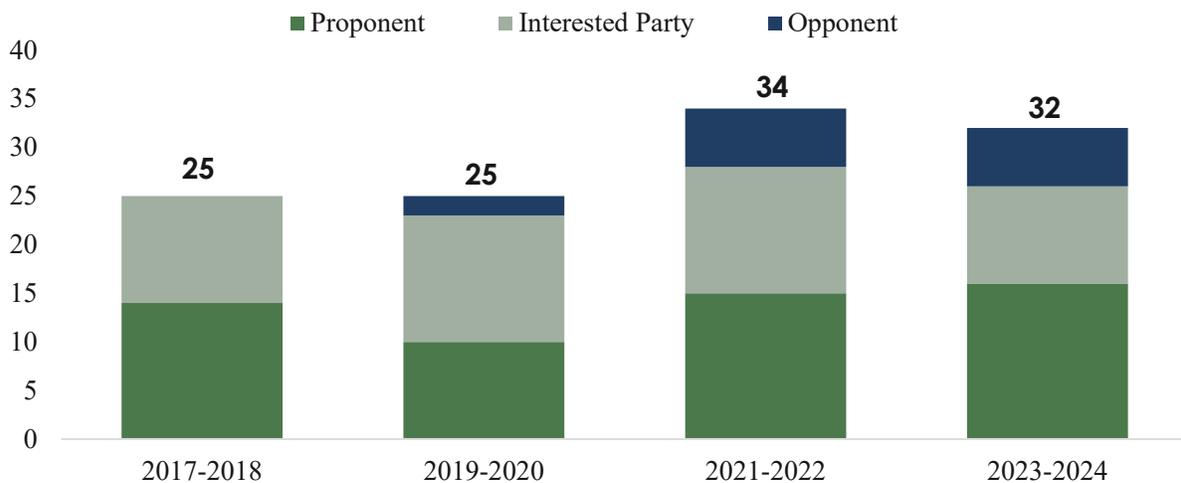


Source: OJC and Ohio Legislature

Note: The number of bills introduced excludes resolutions and special designations. The testimonies given and judicial impact statements issued are not always for the same bills.

From CY 2017 to CY 2025, the Conference provided testimony about 125 bills. Testimony is provided by either a member judge or an OJC staff member, typically the executive director. Over this time period, 78 of the testimonies were provided by OJC staff, 45 were provided by member judges, and two were provided by association presidents. When member judges provide testimony, the Conference’s staff are responsible for helping them to research and write their testimony. Of the 125 bills that OJC provided testimonies about in this time period, the Conference was a proponent of 60, an opponent of 15, and an interested party in 50. The graph below displays the number of testimonies provided by the Conference by interest and biennium.

OJC Testimonies Provided by Biennium



Source: Ohio Legislature

Over this time period, the Conference produced judicial impact statements for 15 of the same bills it provided testimony on. There were an additional 45 bills that OJC produced judicial impact statements for, but did not give testimony on. The process for publishing judicial impact statements will be discussed in detail below. Additionally, from CY 2023 to CY 2024, only one of the bills that OJC provided testimony on was also testified on by a representative of the Ohio Supreme Court.

Recommendation 5: Establish Formal Procedures for the Development of Judicial Impact Statements

OJC is authorized to publish judicial impact statements to inform the legislature of the impact that pending legislation may have on the judiciary, as well as to express judicial consensus and provide recommendations to improve legislation. While OJC has discretion regarding when to publish these statements, if it decides to publish a judicial impact statement, it is statutorily required to include an analysis of the fiscal effects, including a financial estimate, along with an analysis of the procedural and administrative effects of the piece of legislation under consideration. We found that over the past ten years, none of the judicial impact statements produced by OJC have included all three of these elements. The financial impact specifically has been identified by the Conference as the most difficult to include due to limited data available regarding court operations. However, OJC does not consistently conduct the outreach required by law to obtain this data. The Conference does not have a formal procedure in place for the creation of judicial impact statements, currently utilizing a template that does not explicitly include all of the required elements. While there is a formal policy for the approval of these statements, this policy does not reflect current practices. OJC should establish and update formal procedures and policies for the development and approval of judicial impact statements. Doing so will ensure that the Conference is performing all of its statutorily required responsibilities and providing the legislature with all of the information available to adequately inform its decision-making.

Impact

Judicial impact statements are the primary formal method for judges to opine on pending legislation that may affect the operation of the State's court system. Therefore, it is critical for OJC to ensure that it provides all of the information available regarding the impact a piece of legislation may have, including a financial estimate and an analysis of the administrative and procedural effects. Providing this information will enable legislators to fully understand the potential judicial impact of the bill they are considering and assist them in their decision to support or oppose it. Ensuring that the information in these statements is accurate and complete will help to improve the state of the judiciary overall, as well as the work of judges and court personnel.

Background

All legislation identified by OJC staff as potentially impacting the judiciary is reviewed by the Conference's relevant committees. These committees can decide to create a judicial impact statement to formally inform the legislature of the potential impacts of the bill, as well as take an official stance on the bill, if applicable. When this is determined to be necessary, the OJC liaison for the originating committee works with the member judges to research and write the statement. The statement is then submitted to either the Executive or Legislative Committee for approval.

Once approved, OJC staff provides the statement to the bill sponsors and relevant legislative committee. The flow chart below displays this process.

Judicial Impact Statement Development & Approval



Source: OJC

The General Assembly authorized OJC to prepare judicial impact statements in ORC § 105.911. While this section of the ORC provides OJC with discretion regarding which bills it publishes judicial impact statements for, it does outline requirements for the content and distribution of any statements prepared.

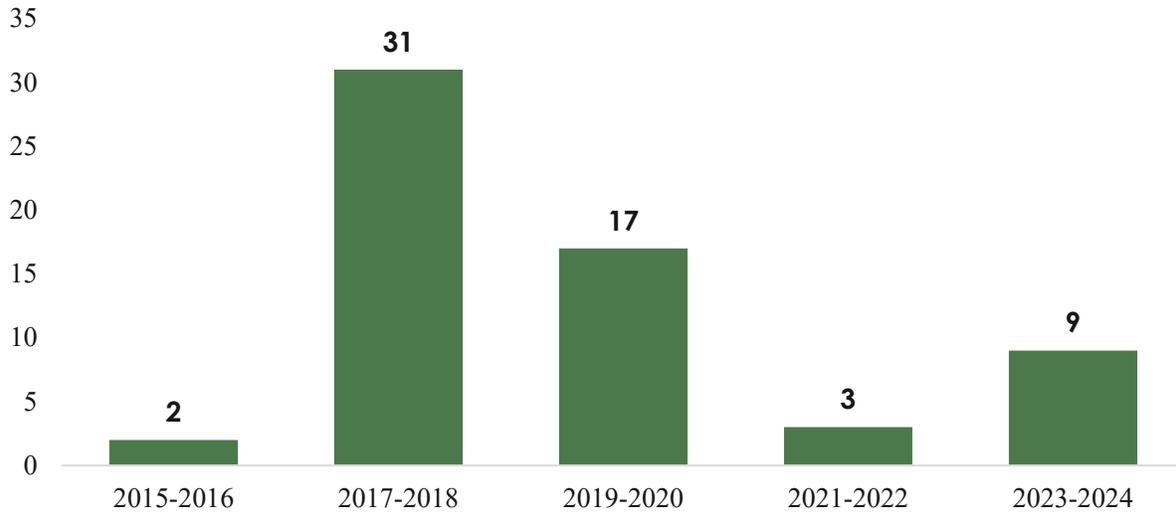
Methodology

We first reviewed ORC § 105.911 to develop an understanding of the Conference’s statutory authority and responsibility related to judicial impact statements. We then interviewed the personnel that are involved in the research and development of these statements to understand how OJC completes this duty, including any relevant policies or procedures. Finally, we obtained and reviewed all of the judicial impact statements produced by OJC from CY 2015 to CY 2024 to determine if they contain the required elements outlined in ORC. We provided our assessment of these statements to OJC staff to ensure they were in agreement with our determinations.

Analysis

From CY 2015 to CY 2024, OJC produced 62 judicial impact statements that were approved by OJC’s Executive or Legislative Committee and issued to relevant legislators. The number released in each year varies based on how many bills are introduced and what portion is relevant to the judiciary. The graph below shows the number of judicial impact statements produced within this timeframe.

Judicial Impact Statements Produced by Biennium



Source: OJC Judicial Impact Statements

Within each of these statements, OJC provides background information on the current law, the bill under consideration, and any relevant court cases. The Conference then describes the impact that the bill may have on judicial operations and determines a conclusion. This conclusion may include a formal statement of support or opposition, although there is no mention of issuing a formal opinion within the relevant ORC. It can also include suggested changes to the legislation or items for the legislators to consider as the bill moves through the General Assembly.

Pursuant to ORC § 105.911, “The judicial impact statement shall include an estimate, in dollars, of the amount by which the bill or resolution would increase or decrease revenues or expenditures and any other information the Ohio judicial conference considers necessary to explain the fiscal effect of the bill or resolution. The statement also shall include an analysis of the bill or resolution’s administrative and procedural effects on the courts of this state.” The Code additionally defines administrative effects as “matters pertaining to the business of the courts, including clerical processes, records management, planning and research, changes in court personnel, calendar management, facilities and equipment, workload distribution, court reorganization, and the creation or addition of judgeships” and procedural effects as “all court-related procedures, including pretrial, trial, and post-trial proceedings.”

During our examination of judicial impact statements produced by OJC, we took steps to determine if the content included all of the effect elements outlined in the ORC. The table below displays the results of this examination for the 29 statements produced during the past three bienniums.

Efficient • Effective • Transparent

OJC Judicial Impact Statement Effect Elements (133rd -135th GA)

Statement	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Financial	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Admin	x	✓	x	x	✓	x	✓	✓	✓	x	x	✓	✓	x	✓	✓	x	x	x	x	x	x	✓	x	✓	x	x	x	x
Procedural	✓	✓	✓	✓	x	✓	✓	x	x	x	✓	✓	x	✓	x	✓	✓	✓	x	✓	✓	✓	✓	x	x	✓	✓	✓	x

Source: OJC Judicial Impact Statements

Of the 29 statements examined, we found that none included all of the effect elements outlined in the ORC. Specifically, 19 included an analysis of the proposed legislation’s procedural effects on the courts, 11 included an analysis of the administrative effects, and none included an estimate of the financial impact in dollars. There were nine statements that identified if there would be a financial implication generally, but this does not satisfy the ORC requirements due to the lack of a specific financial estimate.

The Conference has acknowledged that it has not been meeting the required elements for its judicial impact statements, particularly the financial impact requirement. OJC stated that it does not have the ability or resources to analyze the financial impact of a bill, specifically citing the limited amount of data available regarding court operations as a barrier. As a result, the Conference may indicate if there is a potential financial impact, but will not provide a dollar amount estimate.

ORC § 105.911 additionally requires OJC to contact the Legislative Service Commission (LSC) for information regarding the fiscal effects of a bill or resolution. If LSC does not have this information, OJC and LSC are authorized to jointly request relevant information from any court or other entity of the state or local government. The Conference has stated that it does not perform this outreach when developing judicial impact statements due to concerns regarding overlap between the judicial and legislative branch. According to OJC, LSC is not able to respond to requests from entities outside of the legislative branch without the permission of the legislator working on the relevant bill. This represents another statutory requirement that the Conference is currently not meeting.

OJC does not have a formal procedure in place regarding the development of judicial impact statements. The Conference’s staff does utilize a template that outlines the structure of a judicial impact statement, which includes four sections: Title Information, Background, Judicial Impact, and Conclusion. It also includes the Conference’s internally developed definition of a judicial impact statement, which references ORC § 105.911 for its authority to publish these statements but does not include the required elements as outlined in the ORC section. This definition is shown to the right. For an example of a judicial impact statement issued by OJC, see [Appendix H](#).

OJC’s Judicial Impact Statement Definition

“A Judicial Impact Statement describes as objectively and accurately as possible the probable, practical effects on Ohio’s court system of the adoption of the particular bill. The court system includes people who use the courts (parties to suits, witnesses, attorneys and other deputies, probation officials, judges and others). The Ohio Judicial Conference prepares these statements pursuant to R.C. 105.911.”

Notably, OJC’s judicial impact statement template does not include sections for the fiscal effect, including the financial estimate, or the administrative and procedural effects that are statutorily required. In combination with the lack of a formal procedure, this allows the Conference to produce statements that do not include all of the necessary elements. Developing a formal procedure or updating the current template to more accurately reflect the statutory requirements would prevent this from happening unintentionally in the future. However, as indicated by OJC personnel, these elements may be purposefully excluded due to a lack of available data. A formal procedure should dictate how OJC handles this situation to ensure that it provides all of the information possible within the judicial impact statements and indicates where information may be lacking.

A formal procedure should additionally contain steps regarding the outreach that OJC is statutorily required to perform when researching a judicial impact statement. As the Conference has expressed concerns about reaching out to LSC for financial information without permission from the legislature, this procedure should require OJC to first reach out to the bill sponsor or other relevant legislators to obtain this permission. If this outreach continues to generate concerns regarding a conflict between the judicial and legislative branch, this requirement may need to be reconsidered as a part of the statute. Additionally, the Conference could utilize or reference to the information contained in the fiscal notes published by LSC’s Legislative Budget Office. These notes include an analysis of the financial impact of bills that may be useful to OJC as it develops judicial impact statements.²³

While OJC does not have a formal procedure for the development of judicial impact statements, there is a formal policy for the approval of these statements. This policy states that any official

²³ The fiscal note and local impact statements provide estimates of the direct fiscal impact of proposed legislation on state and local governments. LSC prepares a statement for each bill that reaches a second hearing, then updates it at every stage of the legislative process.

policy statement or judicial impact statement written on behalf of OJC must be approved by the Executive Committee. Proposed statements are presented to the Executive Committee by the chairs of the committee that decided to create the statement. This typically occurs during the Executive Committee’s quarterly meetings or OJC’s annual conference. Executive Committee members then vote to either approve or table the statements. In addition to this vote, the Executive Committee can also request OJC staff to meet with bill sponsors prior to releasing the formal statement.

Despite this formal policy, the Conference’s current practices also allow for the Legislative Committee to approve judicial impact statements to be published. This suggests that, in addition to not meeting statutory requirements, OJC also may not be following its own internal policies. Updating existing policies to reflect current practices and developing formal procedures for processes that are currently not documented will ensure that OJC is operating consistently and performing all of its statutorily required responsibilities. ORC § 105.911 includes additional requirements regarding the distribution of the Conference’s judicial impact statements that were not examined as a part of this analysis.

Conclusion

OJC should establish formal procedures for the development of judicial impact statements and update existing policies for their approval to reflect current practices. These procedures and policies should include steps to ensure that the Conference is including all statutorily required elements and conducting required outreach when preparing these statements. If OJC has concerns regarding these statutory requirements, the Conference should work with the legislature to revise the law accordingly. Establishing and following procedures for this process will ensure that OJC is fulfilling its statutory responsibilities and providing the legislature with the information necessary for its decision-making process.

Recommendation 6: Strengthen Succession Planning Practices and Update Onboarding Documentation

As a small entity with long-tenured employees, OJC has not recently experienced employee turnover and has employees that are largely siloed in their job duties. Two of the Conference's eight employees will be eligible for retirement within the next five years. Due to this, it is critical that the Conference engages in effective succession planning efforts to ensure the continuity of its operations amidst this imminent employee turnover. While OJC is currently planning for the retirement of one employee, this practice is not formally documented or implemented uniformly across the organization. The documents utilized by the Conference for the onboarding of new employees contain elements recommended by best practices, but are not regularly updated, and therefore do not accurately reflect the OJC's current operations. The Conference should formalize its succession planning practices and update its onboarding documentation to ensure that institutional knowledge can be transferred in the event of employee turnover or retirement.

Impact

Effective succession planning and employee onboarding are necessary for all organizations to transfer institutional knowledge, ensure business continuity, and prepare new employees for their job responsibilities. These practices are particularly important for OJC, due to its small staff size and isolated nature of job responsibilities, which rely heavily on communication with a variety of internal and external organizations. As the Conference will be experiencing employee turnover within the next few years due to the retirement of multiple staff members, it is critical that OJC formalizes succession planning practices and updates onboarding documentation to aid in this transition. Doing so will minimize the risk of institutional knowledge loss and ensure the Conference continues to provide effective services to Ohio's judges.

Background

OJC has an extremely small staff, operating with only eight employees. With this staff size, the operations of OJC rely heavily on the institutional knowledge and relationships of the Conference's employees. The employees are generally long-tenured, having worked at OJC for a range of 6 to 19 years. While the Conference has been operating with the current staff for six years, two of the eight employees are expected to retire within the next five years. This upcoming employee turnover has brought a renewed focus on OJC's succession planning and onboarding practices.

Methodology

After reviewing the Conference's staffing information and biennial budget request, we met with OJC personnel to develop an understanding of its employee lifecycle. While turnover within OJC is not very common, one of the Conference's employees is planning to retire soon. During the last budget cycle, OJC requested increased funding from the State because of this, citing the need

to hire an additional employee to train with the current staff member who is anticipating retirement. Due to this, we examined the Conference’s succession planning and onboarding practices and documentation to determine alignment with best practices identified by the Society for Human Resource Management (SHRM) and the Ohio Department of Administrative Services (DAS).

Analysis

Succession Planning

Succession planning is the process of identifying the knowledge, skills, and abilities required to perform a job function and developing a plan to prepare new employees to perform the function. This is particularly important for small entities, as small staff sizes may contribute to low turnover and employees can be siloed in their job duties. Both of these characteristics are consistent with OJC, which has not experienced employee turnover in six years. The Conference’s employees are isolated in their job duties, particularly related to the committees and associations they interact with. Each judicial and legislative employee is assigned to one or more of the committees and associations that OJC serves, with minimal overlap between employees. While these employees perform similar functions for each committee or association, the subject matter and relationship with member judges vary significantly. When job duties are siloed in this way, it is critical that organizations prioritize succession planning efforts to ensure that business is not disrupted by employee turnover.

Additionally, the Conference has one administrative employee, the HR/fiscal officer, who is responsible for all of OJC’s financial and human resources functions. Specifically, the HR/fiscal officer is the only employee who is able to process payroll and track leave usage, which represents both a succession planning issue and an internal control deficiency. For more information on the internal control deficiency, see [Recommendation 1](#). While the executive director position has the ability and authority to process payroll, the current director does not have the training necessary to do so. As a result, the HR/fiscal officer strategically schedules their leave to ensure they are always available to process payroll each Monday. This lack of cross-training would create an issue if the HR/fiscal officer were to leave the position, or even if they were unavailable for one week.

OJC does not currently have sufficient or uniform succession planning practices. However, the Conference is planning for the imminent retirement of one of its employees by having the employee produce a list of responsibilities related to their office duties, committee and association liaison duties, and annual meeting duties. OJC additionally plans to hire a new employee before the current staff member retires in order to allow the current staff member to train their replacement.

While these activities indicate that OJC is engaging in succession planning practices, they are not uniformly conducted throughout the organization. The only employee that is creating a list of their job responsibilities is the one preparing for retirement, other employees are not creating similar

documents. The practice of hiring a new employee to overlap with the departing employee is not formally documented, meaning that it may not be done consistently across leadership and organizational changes. Additionally, while this practice is a good way to train a new employee, it will not always be possible when employee turnover occurs. If employees depart the organization for reasons other than retirement, the Conference will not have the time to plan ahead and hire a new employee for this purpose.

SHRM emphasizes the importance of succession planning, indicating that it is a key tool for organizations to ensure continuity amidst employee turnover. Specifically, SHRM recommends that organizations develop a plan to identify and transfer institutional knowledge to new employees in order to facilitate staff transitions. SHRM also mentions that succession planning strategies should be periodically reviewed and adjusted as necessary to ensure they are successfully meeting the needs of the organization.

Onboarding

One critical component of succession planning is adequate onboarding practices. Onboarding is the process of integrating new employees into an organization. This includes familiarizing the new employees with the organization, providing them with the knowledge necessary to complete their job duties, and introducing them to existing staff members. Effective onboarding has been shown to improve the employee experience and increase retention rates.

Historically, employee onboarding at OJC has been limited to a review of human resources policies and did not include information or training regarding job responsibilities. For the administrative position in particular, the Conference had to utilize cross-training with the Court of Claims due to limited internal resources. During our interviews, two of OJC's current employees indicated that they experienced difficulties during their onboarding, including a lack of information and clarity on job duties.

OJC's current onboarding process utilizes a new employee welcome packet, a new hire checklist, and position descriptions. The content of these documents does align with SHRM best practices for new hire orientation. SHRM recommends that the following elements are included in the onboarding process, all of which are present in OJC's onboarding documents.

- Introduction to the organization;
- New employee paperwork;
- Benefits and compensation;
- Administrative procedures;
- Key policy review;
- Introductions and tours; and,
- Employee acknowledgement of orientation items.

While the Conference’s onboarding documents are aligned with SHRM best practices, they have not been updated recently and therefore do not accurately reflect the current state of the OJC’s operations. The new employee welcome packet contains an outdated table of organization that is missing a position, as well as including an incorrect statement regarding employee pay periods.²⁴ The new hire checklist, which was most recently updated in SFY 2014, includes the same incorrect statement about pay periods. The checklist also contains contact information for individuals that should be contacted to complete various tasks during the onboarding process, some of which are no longer the correct contacts.

The Conference’s position descriptions also have multiple inaccuracies. One position description indicates that the position is non-exempt under FSLA, but all OJC employees are exempt.²⁵ Other position descriptions include incorrect supervisory roles. The legislative counsel position description indicates that it supervises three positions by title. While the legislative counsel does supervise three individuals, the positions of those individuals do not match the titles listed within the corresponding position description. Additionally, the executive director position description indicates it supervises a position which also does not currently exist within OJC's chart of organization. Finally, all of the position descriptions indicate pay ranges that are not consistent with OJC’s salary classifications.

The Ohio Department of Administrative Services (DAS) provides guidance regarding the documentation of information and record keeping. In this guidance, DAS recommends that entities frequently conduct accuracy checks on record keeping and data entries and examine any inaccuracies identified for systematic or procedural issues. OJC should check their documentation to ensure that it is accurate to current operations. Utilizing outdated documents for employee onboarding would prevent a complete and accurate transfer of necessary knowledge, and therefore would not adequately prepare a new employee for their role.

Conclusion

The Conference should formalize its succession planning practices and update its onboarding documentation. While OJC has recently engaged in adequate succession planning practices, these practices are not formally documented or uniformly implemented across the organization. The documents used by the Conference for employee onboarding are outdated, which could negatively impact succession planning efforts as new employees would receive inaccurate information. Formalizing and updating this information would ensure that OJC is able to effectively transition job duties during employee turnover.

²⁴ The new employee welcome packet states that all employees are paid on a bi-weekly current basis. However, four OJC employees are paid on a bi-weekly delay basis. For more information on this, including definitions of these two terms, see [Recommendation 2](#).

²⁵ Non-exempt employees are eligible for overtime pay under the federal Fair Labor Standards Act, while exempt employees are exempt from the overtime provision of this law.

Client Response Letter

Audit standards and AOS policy allow clients to provide a written response to an audit. The letter on the following page is the Conference's official statement in regards to this performance audit. Throughout the audit process, staff met with Conference officials to ensure substantial agreement on the factual information presented in the report. When the Conference disagreed with information contained in the report, and provided supporting documentation, revisions were made to the audit report.



Ohio Judicial Conference

The Voice of Ohio Judges

March 19, 2026

Honorable Keith Faber
Auditor of State
88 East Broad Street
Columbus, Ohio 43215

Dear Auditor Faber:

On behalf of the Ohio Judicial Conference, I would like to extend our sincere appreciation to the Performance and Financial Audit Teams for the time, diligence, and professionalism demonstrated throughout the performance and financial audit process. Your teams' thorough review and thoughtful, targeted engagement with the Judicial Conference helped ensure that the audit was conducted in a collaborative and constructive manner.

As your report notes, the Ohio Judicial Conference occupies a unique position within the state's judicial framework. While our statutory formation and organizational structure are distinct, particularly given our role representing Ohio's judiciary, from the Supreme Court to County Courts, many of the functions we perform are similar to those carried out within the judicial branches of states with non-unified court systems across the country. We appreciate the effort taken by the audit teams to recognize and analyze this context while evaluating our operations.

We value the recommendations provided in both reports. The insights offer a number of data points that will assist the Judicial Conference in strengthening both external and internal processes, improving administrative efficiency, and ensuring continued transparency and accountability in the stewardship of public resources. As we begin the process of reviewing and implementing these recommendations, we view them as an opportunity to further enhance the effectiveness of our organization and the services we provide on behalf of Ohio's judiciary.

We have agreed with the Financial Audit team's Management Letter and have waived the exit conference. We are requesting their future professional assistance in implementing their suggestions. We are pleased they have acknowledged that the OJC has immediately corrected the few employee leave balance errors, that no employee has received improper compensation, a process is underway to transfer payroll calculations from our current system to the OAKS automated system, and that no findings for recovery consequently were made.

The officers and entire staff of the Judicial Conference have carefully reviewed the report of the Performance Audit team. During the process of the performance audit the Judicial Conference corrected the mistakes in some employees' sick and vacation leave balances immediately upon being notified of the errors by the Performance Audit team. While the Financial Audit team found that no employee received unearned compensation or leave payout, all employees' leave balances are now

correct and the OJC has established a more robust procedure for preventing future errors including reminding all employees of their personal responsibility to be aware of accrual policies and to be certain their balances are correct. We are already working with DAS to implement Recommendation 1 and Issue for Further Study 1.

We agree with Recommendation 2 and are in the process of implementing it. All employees will be moved to bi-weekly delayed salary payment.

With respect to Recommendation 3 – we do track all this information internally. Revenue codes are out of our control: The revenue and financial information used for the OJC’s internal reports come directly from the OAKS system. Per correspondence from OBM: “Those are created by OBM in consultation with the Department of Tax. We do not have a dictionary of description for the codes, which is different from the expense codes. So, there is more flexibility with revenue codes. OBM and TAX can create new ones, but the preference is to use an existing one where possible.” Current and past financial audits have never flagged this. Further, we do not accept cash; all funds received are deposited electronically.

Regarding Recommendation 4, we have a formal but unwritten policy, and it is considered in detail every year during the officers’ summer retreat and again during the budget cycle. We track our 4030 Rotary fund balances to monitor how long the fund is projected to last with our estimated spending.

Concerning Recommendation 5, while Impact Statements themselves represent a small fraction of our legislative outreach, we recognize deficiencies with them, in part owing to difficulty in assessing an exact dollar amount of impact a bill might have; courts operate independently, and operational costs can differ widely from jurisdiction to jurisdiction, making it difficult to establish a solid, statewide cost of any given bill. We do actively work with and assist LSC as they develop their fiscal impacts on bills, thus avoiding redundant work, but recognize that there is opportunity for greater collaboration between the two agencies. Also, for the Impact Statements we have provided, many bills do not have a financial impact that would be of concern to us, thus not necessitating a specific mention. We will note that clearly in Impact Statements going forward. As the Performance Team observed, the revised code does not *require* the issuance of Impact Statements. All Statements we have produced were on our own initiative. To address the valid deficiencies raised in the report, we are in the process of forming a small committee of judges to establish a formal policy on the development of Impact Statements: when to issue, and how they are to be developed, including greater attention to fiscal impact when relevant.

We find Recommendation 6 to be the most helpful advice in the entire report. Because we are a very small organization the sudden unexpected loss of an employee for an extended period of time would be very disruptive. This is especially true of the Fiscal Officer. We are working now to establish succession plans for key staff. A decade ago, the OJC utilized a MOU with the Court of Claims (we share a floor in the same building) to assist when a vacancy occurred in the fiscal/HR officer position. Because OAKS does not allow the Executive Director to have the same level of access as the Fiscal/HR Officer, we now have reached out to Court of Claims to establish that relationship again going forward if needed, and they have agreed. Additionally, our succession plan will designate an employee responsible for oversight and approval of payroll and other fiscal documents in the event the Executive Director position is vacant. We will engage in more cross-training of employees, and while employees currently document their work, they will now do so with

an eye to documenting so that another employee can quickly grasp and continue work should there be an unexpected departure from the organization. Additionally, while employee position descriptions were accurate at the time positions were posted and filled, we recognize they have not been updated as duties may have internally changed in the interim. Employee onboarding information has been reviewed and updated, as have the position descriptions.

“Financial Perspective” may be in the eye of the beholder, but this Performance Audit Report devotes the majority of its discussion to financial accounting issues that were referred to the Financial Audit Team for further investigation and recommendations. We have acknowledged and corrected the mistakes and are implementing improved controls as suggested. Missing in this report is any acknowledgment that between our state fund and Fund 4030, the OJC currently administers annual expenditures of \$1.8 million without any findings of mishandling funds, both income and expenditures, in all state financial audits performed from 2017 to the present.

Every professional audit, financial or performance, necessarily involves a degree of unwelcome stress for the employees of the organization being audited. Auditor Faber, every member of your staff was courteous and professional in every encounter and inquiry they presented to the Judicial Conference staff and officers. Implementing their recommendations will assist us in improving internal Judicial Conference management, particularly in staff payroll accounting.

Respectfully submitted,

A handwritten signature in black ink that reads "Paul E Pfeifer". The signature is written in a cursive style with a large, prominent "P" at the beginning.

Paul E. Pfeifer, Executive Director

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Appendix A: Purpose, Methodology, Scope, and Objectives of the Audit

Performance Audit Purpose and Overview

Performance audits provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Generally accepted government auditing standards (GAGAS) require that a performance audit be planned and performed so as to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Objectives are what the audit is intended to accomplish and can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Scope and Objectives

In order to provide the Conference with appropriate, data driven, recommendations, the following questions were assessed within each of the agreed upon scope areas:

Summary of Objectives and Conclusions

Objective	Recommendation
Program Effectiveness	
What opportunities exist to improve The Ohio Judicial Conference’s processes for carrying out their responsibilities as established by ORC?	R.5
Operations	
What opportunities exist to improve the efficiency and effectiveness of the Ohio Judicial Conference’s operational structure?	R.6

Efficient • Effective • Transparent

What opportunities exist to improve the efficiency and effectiveness of the Ohio Judicial Conference’s financial management processes?	R.1, R.2, R.3, R.4, IFFS.1
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Although assessment of internal controls was not specifically an objective of this performance audit, internal controls were considered and evaluated when applicable to scope areas and objectives. The following internal control components and underlying principles were relevant to our audit objectives²⁶:

- Control environment
 - We assessed the Conference’s exercise of oversight responsibilities in regard to detecting improper payroll reporting and leave benefits administration.
- Risk Assessment
 - We considered the Conference’s activities to assess fraud risks.
- Information and Communication
 - We considered the Conference’s use of quality information in relation to its financial, payroll, and staffing data.
- Control Activities
 - We considered the Conference’s compliance with applicable laws and contracts.

Internal control deficiencies that were identified during the course of the audit are discussed in Recommendations 1 and 2. These deficiencies were referred to the state financial audit when appropriate, as referenced throughout the body of the report.

Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of Office’s operations included in the audit scope, and reviewed and assessed available information. Assessments were performed using criteria from a number of sources, including:

- Industry Standards;
- Data from State Systems
- Peer State Surveys
- Statutes; and
- Policies and Procedures.

²⁶ We relied upon standards for internal controls obtained from *Standards for Internal Control in the Federal Government* (2014), the U.S. Government Accountability Office, report GAO-14-704G

Appendix B: Ohio's Court System

Within the hierarchy of courts in the State, the Supreme Court of Ohio²⁷ is the highest court, also referred to as the court of last resort. This means that the Supreme Court's decisions are not subject to further review by any other court and are binding for all courts in the State. The Supreme Court consists of a chief justice and six associate justices that are elected by Ohio's citizens. Most of the Supreme Court's cases are appellate reviews from state courts, although the Court also has original jurisdiction²⁸ over select cases, including constitutional questions, questions of public interest, and appeals from the Board of Tax Appeals and the Public Utilities Commission of Ohio. The Supreme Court is also responsible for creating rules governing the practice and procedure in Ohio's courts.

Next in the hierarchy of Ohio's courts are the Courts of Appeals.²⁹ The primary function of these courts is to hear appeals from lower courts, which may, in turn, be further appealed to the Supreme Court. These courts may also hear appeals from other administrative agencies and have original jurisdiction over writs of habeas corpus, mandamus, procedendo, prohibition, and quo warranto.³⁰ There are twelve Courts of Appeals in Ohio, each of which serves one of the State's appellate districts. Cases brought to these courts are heard and decided by a panel of three judges, who are elected by the residents of each appellate district.

The next level of the court system hierarchy includes three types of courts. The first is the Court of Claims,³¹ which is a singular statewide court that has original jurisdiction over all civil actions filed against the State of Ohio. This includes lawsuits for personal injury, property damage, contract disputes, wrongful death or imprisonment, and employment discrimination. This court may also hear appeals from Attorney General decisions regarding compensation for victims of crime. Judges on this court are appointed by the Supreme Court of Ohio from the existing pool of incumbent judges.

Second, each county in Ohio has a Court of Common Pleas.³² The judges presiding over these courts are elected by the citizens of each county. Courts of Common Pleas are responsible for the

²⁷ The Supreme Court of Ohio is established and governed by ORC Chapter 2503.

²⁸ Original jurisdiction refers to a court's authority to hear and decide a case for the first time before any appellate review occurs.

²⁹ Courts of Appeals are established and governed by ORC Chapter 2501.

³⁰ Writs are legal documents ordering a form of action from a court or other entity. A writ of habeas corpus orders law enforcement authorities to produce a prisoner they are holding and justify the prisoner's continued confinement. A writ of mandamus orders a government official to properly fulfill their official duties. A writ of procedendo orders a court to issue a decision within a specific timeframe. A writ of prohibition is used to prevent a lower court from interfering with a higher court's decision. A writ of quo warranto is used to test a person's legal right to hold the public office they occupy.

³¹ The Court of Claims is established and governed by ORC Chapter 2743.

³² Courts of Common Pleas are established and governed by ORC Title 23.

following types of cases. The structure of this court varies between counties, with some counties dividing these types of cases into separate courts, each with their own judge, and others conducting all cases within one court.

- **General:** Has original jurisdiction over all criminal cases (except minor offenses), civil stalking protection orders, appeals of decisions of administrative agencies, and all civil actions regarding an amount greater than \$15,000.
- **Domestic Relations:** Has original jurisdiction over all proceedings involving divorce or dissolution of marriages, annulment, legal separation, spousal support, domestic and dating violence civil protection orders, conciliation, allocation of parental rights and responsibilities, child support, parenting time, and visitation.
- **Juvenile:** Has jurisdiction over cases involving delinquent, unruly, abused, neglected, and dependent children. Also hears adult cases involving paternity, child support, allocation of parental rights and responsibilities, and parenting time for unmarried parents.
- **Probate:** Has jurisdiction over wills, estate matters, guardianship, issuance of marriage licenses, adoption proceedings, determination of sanity or mental competency, name changes, and certain eminent domain proceedings.

Finally, counties, cities, villages, and townships have Municipal and/or County Courts.³³ These courts have jurisdiction over misdemeanor offenses, traffic violations, and civil cases regarding amounts less than \$15,000. These courts also have the authority to conduct preliminary hearings in felony cases. Some cities and villages may also have a Mayor's Court,³⁴ which handles violations of local ordinances and state traffic laws. These courts are not courts of record, meaning that the proceedings are not captured and preserved for the possibility of appeal. Matters heard in Mayor's Courts can be reheard in Municipal or County Courts.

As these courts represent various levels of state and local government, their funding sources vary as well. Through the General Revenue Fund (GRF), the State of Ohio pays for all of the operational costs of the Supreme Court and the Court of Claims, as well as a portion of the salaries and benefits for the judges of lower level courts. The Supreme Court is able to generate revenue to cover certain services through fees from bar examinations, attorney registrations, and Judicial College courses. The Court of Claims also generates revenue from filing fees that is used to fund individual case costs.

Compensation for Courts of Appeals judges and staff is provided entirely by the State, while all remaining operational costs for these courts are shared by all of the counties within each appellate district. Each county in the district pays a share of the expenses proportional to its

³³ Municipal Courts are established and governed by ORC Chapter 1901. County Courts are established and governed by ORC Chapters 1907 and 1909.

³⁴ Mayor's Courts are established and governed by ORC Chapter 1905.

population. Courts of Common Pleas, Municipal Courts, and County Courts are all funded by the county or municipality government, with a portion of judge compensation provided by the State Treasury in accordance with ORC § 141.04. These courts may also issue court fees to generate additional revenue or obtain grant funding from the state or federal government.

Appendix C: Office Space Utilization

As discussed in the **Background**, OJC operates on a hybrid work schedule. The Conference’s internal policy authorizes employees to work from home, provided that they receive prior approval from their supervisor. This policy additionally states that employee timesheets should indicate an employee’s time of arrival to and departure from work, as well as identifying hours that the employee works at home. During our review of OJC employee timesheets, we determined that the timesheets do not indicate when an employee is working from home.

The Conference has utilized office space within the Thomas J. Moyer Ohio Judicial Center for employees to work in-person since 2004. This building also houses the Supreme Court of Ohio and affiliated offices, as well as the Ohio Court of Claims. The Supreme Court manages all building operations and does not charge rent to OJC for occupying space in the building. In addition to office space, the Conference utilizes the Ohio Supreme Court’s computer network, including its hardware, software, email system, and internet. OJC does not have a memorandum of understanding or other legal agreement with the Ohio Supreme Court outlining the use of the office building or the computer network.

Since moving to the Ohio Judicial Center, the Conference’s staff has been reduced from eleven to eight full-time employees. We examined badge entry data provided by the Supreme Court to determine how frequently these employees were utilizing OJC’s office space. In CY 2025, the Conference had at least one employee using its office space on 213 days of the year, which is 86 percent of the 247 available non-holiday working days. Of the days on which the office was used, there were eleven occurrences when all eight OJC employees were in the office on the same day. Overall, the Conference’s employees are using the office space 30.9 percent of the time that they are working. The table below shows the number of employees in the office, the number of occurrences, and the percentage of total working days that this represents.

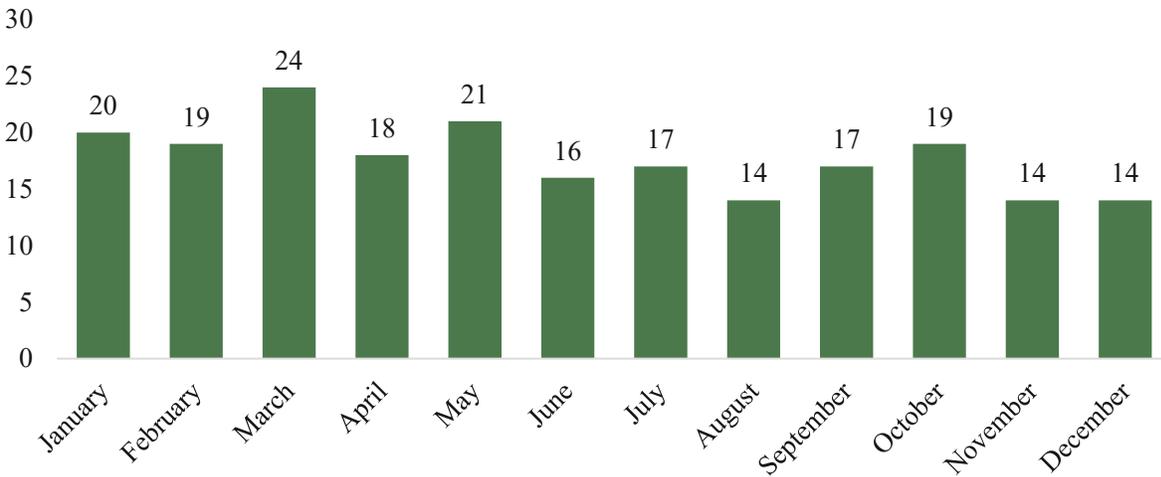
CY 2025 Staff Working in Office

# Staff in Office	8	7	6	5	4	3	2	1	0
# Occurrences	11	8	15	10	18	27	50	74	34
Percent of Non-Holiday Working Days	4%	3%	6%	4%	7%	11%	20%	30%	14%

Source: Ohio Supreme Court Badge Entry Data
Note: Percentages are rounded.

The months with the fewest in-office days were August, November, and December, each of which had only 14 days with staff working in the office. The graph below shows the number of days in each month that the office was in use by one or more employees.

CY 2025 Days of Office Utilization by Month



Source: Ohio Supreme Court Badge Entry Data

The office space that OJC occupies has a total area of approximately 8,200 square feet, which is 1,025 square feet per employee.³⁵ The U.S. General Services Administration (GSA) provides benchmarks for office space allocation, specifically recommending that offices have 150 usable square feet per person and a utilization rate of 60 percent. In comparison to this benchmark, OJC’s square footage per person is 875 square feet higher than the GSA recommends. While this is not a direct comparison because OJC’s square footage includes non-usable space and the GSA benchmark does not, the Conference is far enough above the benchmark that this likely does not significantly change the difference.

In addition to this, the GSA has a formula to calculate how much square footage is needed for hybrid employee environments. The formula used to calculate this rate is shown below.³⁶

$$\frac{\text{Actual \# of Employees}}{\text{Employees Needed to Fully Utilize Space}} * \% \text{ of Time in Office}$$

³⁵ Includes usable and non-usable space, such as hallways. During the course of the audit, OJC’s office space was reduced. The square footage of 8,200 used in this analysis is as of January 2026.

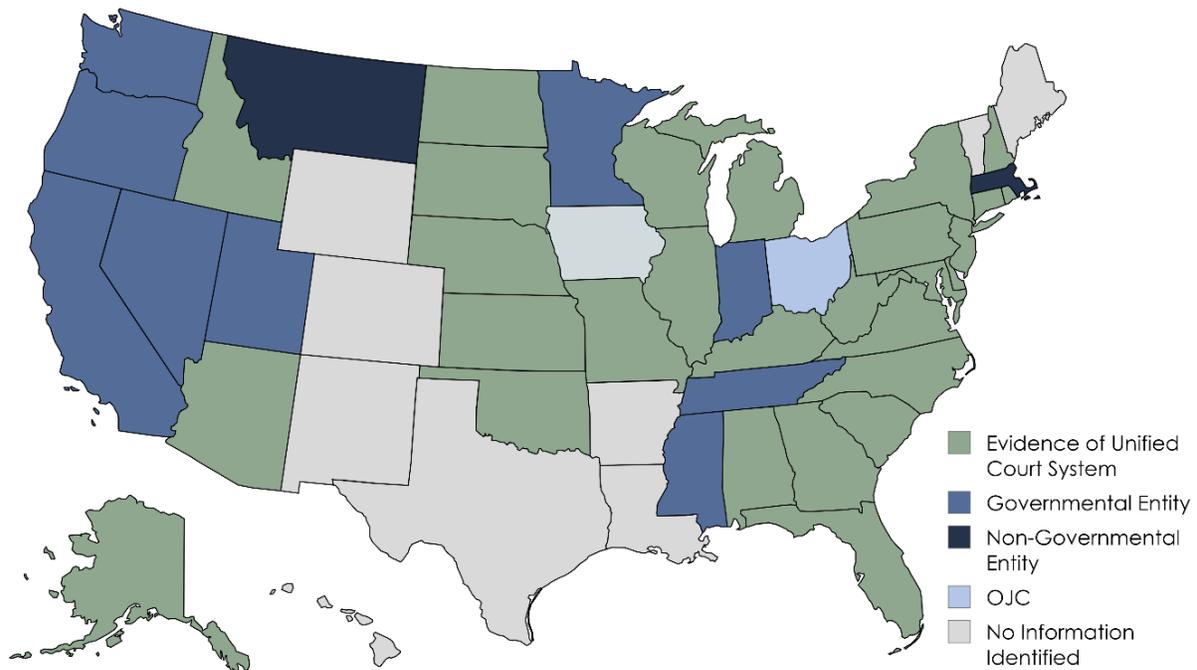
³⁶ Employees Needed to Fully Utilize Space is calculated by dividing OJC’s office square footage (8,200 square feet) by the GSA benchmark for space per employee (150 usable square feet). This calculation is likely slightly inflated because OJC’s office square footage includes non-usable space.

OJC's office utilization is only 4.5%, which is approximately 55 percentage points lower than the GSA recommends. In combination with a higher level of square footage, this means that the Conference has more office space than is recommended and utilizes it less frequently. While the OJC does not necessarily need to make any changes to its current arrangement, it should consider this information should the need arise in the future to acquire space in an efficient manner.

Appendix D: Nationwide Comparison

As discussed in the [Similar Organizations Section](#), we attempted to identify peer institutions for OJC in other states through a nationwide survey. The results of this survey, as well as information from the National Center for State Courts listing of states with unified court systems, are displayed in the map below.

Nationwide Survey of Entities Supporting Judges



Source: State Surveys & National Center for State Courts

Note: Blue states appear to operate in a differentiated court system. States that had no information identified were not included in the listing of states with unified court systems from the National Center for State Courts and did not respond to our survey.

While OJC is the only state we identified with a standalone governmental entity for the purpose of representing and serving judges, nine other states had a governmental entity for the same purpose. These entities fell within the state supreme court or judicial branch. Two states had non-governmental entities perform these functions. The remaining states either had a unified court system or did not respond to our survey.

Appendix E: Budget Request

Each biennium, state agencies submit budget requests to the Office of Budget and Management (OBM). These budget requests are used to formulate the executive budget proposal, which is used by the legislature as the basis for the budget bill. In OJC’s SFY 2026-2027 budget request, the Conference requested \$2.1 million for SFY 2026 funding and \$2.3 million for SFY 2027 funding. This was an increase from the funding OJC received in SFY 2025, which was \$1.9 million.

In the Conference’s budget testimony, the executive director indicated three reasons for this increased budget request. First, OJC’s longest term employee is planning to retire within the next biennium. In order to train a replacement for this employee, the Conference is planning to hire a new employee before this retirement, so that the existing employee can train their replacement in the overlapping time. Additionally, the executive director believed that OJC would be responsible for paying out the retiring employee’s unused leave balance. However, there is uncertainty regarding this responsibility, as discussed in [Recommendation 2](#). Second, the executive director indicated that OJC is planning to provide two of its employees with a larger salary bump than usual because he determined that they are currently being paid less than similar positions at the Ohio Supreme Court. Finally, the Conference is planning a significant update to their website, which has not occurred in 15 years.

The Conference’s budget request also included an explanation for the fund balance maintained by OJC in Fund 4030. The excerpt of this explanation is displayed below.

“The target ending cash balance for this fund for FY 26-27 is approximately 900,000. This represents six months of expenditures for the Conference. The balance is necessary due to fluctuations of expenditures and revenues resulting from the uses of this fund, future contractual obligations for Judicial Conference events, and due to the use of this fund to cover some payroll expenses, projected increases to payroll expenses.”

The monthly beginning cash balance within Fund 4030 displays the fluctuations mentioned in this budget excerpt. The graph below shows this trend for the past two SFYs.

SFY 2024-2025 Fund 4030 Monthly Beginning Cash Balance



Source: OAKS BI

As shown in the graph above, OJC has experienced an annual decrease in its fund balance from November to February during the past two SFYs. After this decrease, the Conference is able to increase the fund balance close to its original level by April.

Appendix F: Human Resources

As discussed in [Recommendation 1](#), OJC staff members utilize Excel sheets to track their time worked and leave taken. An example of what these timesheets look like is shown below.

Ohio Judicial Conference Staff Timesheet

Employee Name: ██████████ EXEMPT Y

PAY PERIOD ENDING SATURDAY, December 14, 2024

DAY	SUN	MON	TUE	WED	THU	FRI	SAT	
DATE	12/1	12/2	12/3	12/4	12/5	12/6	12/7	
IN		7:30 A						
OUT								
IN								
OUT LUNCH		1:00 P						
IN		1:30 P						
OUT								
IN								
OUT (END OF DAY)		4:00 P						
HOURSWORKED	0.00	8.00	8.00	8.00	8.00	8.00	0.00	
PLUS								
*NEW SICK LEAVE (use first)								0.00
*OLD SICK LEAVE								0.00
*VACATION LEAVE								0.00
*PERSONAL LEAVE								0.00
*COMP								0.00
*OTHER								0.00
HOLIDAY								0.00
DAILY TOTAL HOURS	0.00	8.00	8.00	8.00	8.00	8.00	0.00	80.00
WKLY CMLTV HOURS	0.00	8.00	16.00	24.00	32.00	40.00	40.00	80.00
TOTAL HOURS FOR THIS WEEK:								40.00

*NUMBER OF LEAVE FORMS ATTACHED:

HOURS OF OVERTIME WORKED TO BE COMPENSATED AS FOLLOWS:

COMP-TIME ACCRUAL HOURS

OVERTIME PAYMENT HOURS

I CERTIFY THAT THE ABOVE CORRECTLY REFLECTS MY HOURS OF WORK FOR THIS PAY PERIOD

I CERTIFY THAT THE ABOVE IS ACCURATE AND CORRECT TO THE BEST OF MY KNOWLEDGE

EMPLOYEE'S SIGNATURE

SUPERVISOR'S SIGNATURE

Source: OJC

Employee leave balances are also tracked in these Excel sheets. An example of this section of the timesheet is shown below.

Employee Name: ██████████		PAY PERIOD ENDING SATURDAY,			December 14, 2024
LEAVE TYPE	BALANCE FORWARD	ACCRUAL AMOUNT	USED THIS PP	USED YTD	ENDING BALANCE
NEW SICK	253.50	3.10	0.00	0.00	256.60
OLD SICK	0.00		0.00	0.00	0.00
VACATION	577.63	7.70	0.00	220.00	585.33
PERSONAL	32.00		0.00	0.00	32.00
COMP	6.25		0.00	0.00	6.25
OTHER	-8.00		0.00	32.00	-8.00

Source: OJC

This section of the timesheet utilizes Excel formulas that are intended to calculate an employee’s leave balance based on their previous leave balance, accrual rate, and leave usage. However, as discussed in [Recommendation 1](#), these formulas were not reliably or accurately calculating leave balances.

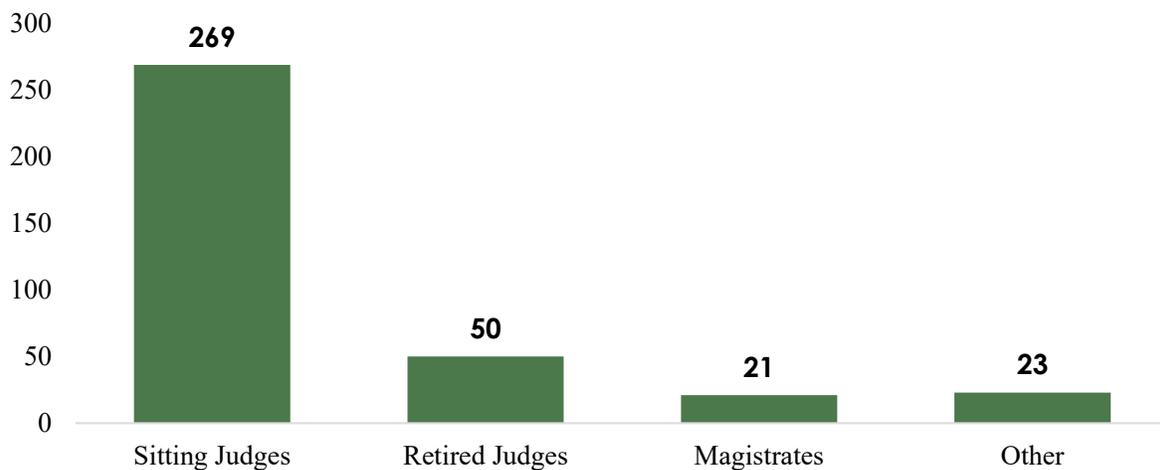
In these timesheets, an employee is supposed to only be able to enter their hours worked and leave taken. The sections calculating hour totals and leave balances are intended to be password protected to prevent unauthorized edits. However, as discussed in [Recommendation 1](#), we identified multiple instances where this did not occur.

Notably, the leave types displayed in this example includes an “Other” category. Per discussions with OJC staff, this category is used when the office is closed for holidays or any other reason. We also identified one occasion where it was used for an employee’s birthday. When employees use this leave category, it is recorded in their timesheet as a negative leave balance. This is because this leave is not accrued like the other leave types, so there is not a balance to subtract the leave used from.

Appendix G: OJC Committee Activity

Many of the sitting judges that are members of OJC participate in one or more of the Conference’s 22 active committees. Retired judges, magistrates, and other legal professionals are also able to participate in these committees. In total, 363 individuals participate in OJC’s committees, with 190 participating in multiple committees. The graph below displays the breakdown of these individuals.

Judges Participating in OJC Committees

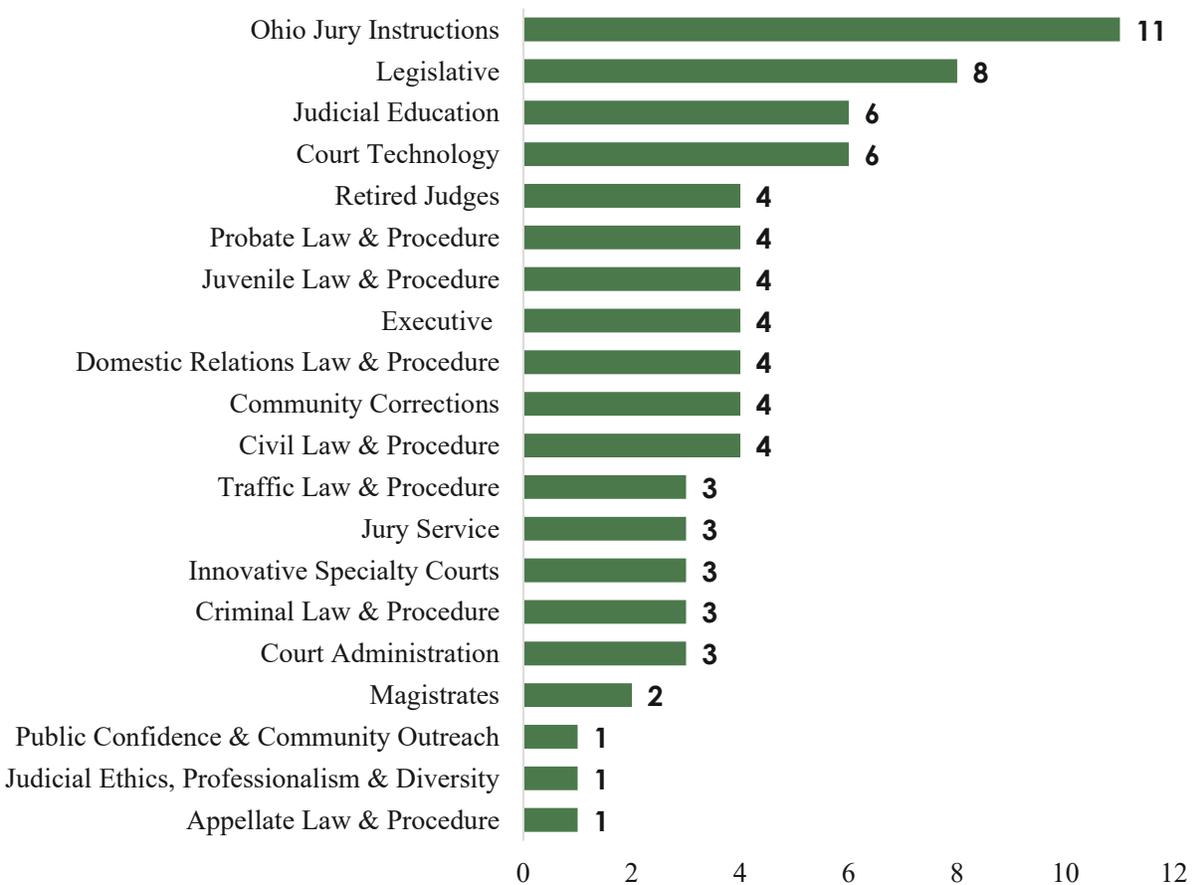


Source: OJC
Note: As of CY 2025.

The committee with the most participants is Criminal Law & Procedure, with 90 judges or other legal professionals participating. The committee with the fewest participants is the Personnel & Office Administration Committee, with only one participating judge.

Each of the active committees meets regularly to discuss issues and legislation relevant to their respective subject matter. OJC staff attend these committee meetings to serve as note takers and follow up on any action items identified in the meetings. Of the 193 events OJC employees attended in SFY 2025, 90 were committee meetings. The graph below shows the number of meetings that each committee held in this year.

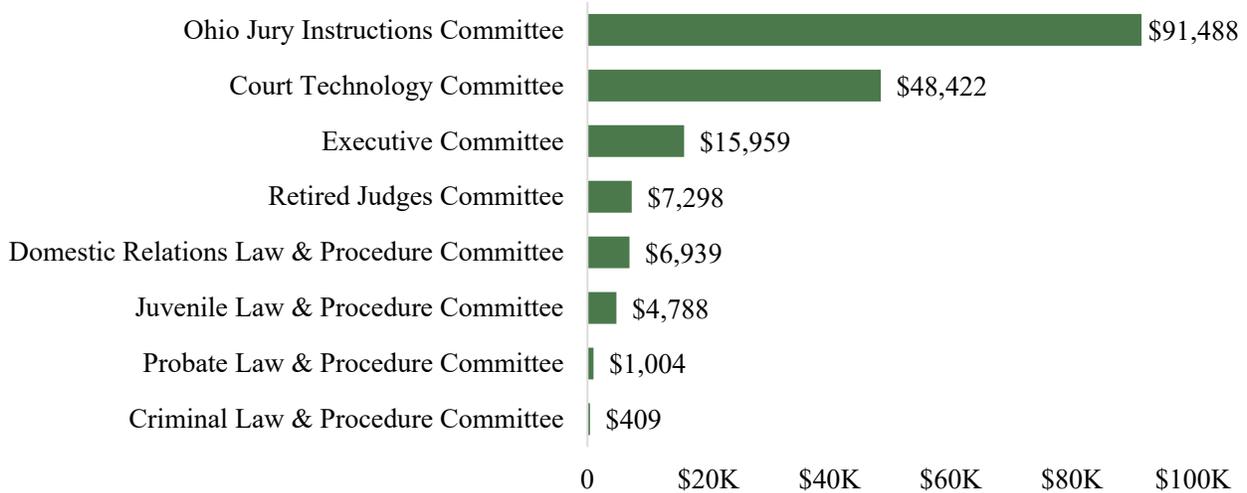
Committee Meetings Attended by OJC Staff in SFY 2025



Source: OJC

Of the Conference's 22 active committees, only 8 had expenditures recorded in OJC's internal financial records in SFY 2025. In total, the Conference attributed \$176,307 of its total expenditure to individual committees in this year. The amount of expenditures by committee is shown below.

SFY 2025 Committee Expenditures



Source: OJC

The Ohio Jury Instructions Committee has the largest expenditure, largely due to its payment of contracted staff to assist with writing the jury instructions. The second highest is the Court Technology Committee, which includes the expenses associated with the annual court technology conference that is organized by this committee for OJC members.

In addition to jury instructions, OJC publishes a multitude of other documents intended to inform the public about the judiciary and the Conference’s members about relevant news and updates. The Conference receives revenue from the sale of some of these documents, but the majority are provided for free. The table below shows the list of OJC publications and the revenue the Conference received for each publication in SFY 2025.

OJC SFY 2025 Publications & Revenue

Publication Name	SFY 2025 Revenue
“About the Ohio Judicial Conference” one-pager	N/A
Guardianship Guidebook	N/A
Judges’ Resource Manual	N/A
Exemptions from Garnishment Guide	N/A
Bi-weekly Legislative Newsletter	N/A
Innovative Specialty Courts Newsletter	N/A
For The Record	N/A
Offense List	N/A
Sealing and Expungement Flowchart	N/A
IDAT Surplus Order Template	N/A
Small Claims Brochure	\$748.68

Biennial Report	N/A
OJC Legislative Platform	N/A
Legislative Report to OCPJA	N/A
Legislative Report to AMCJO	N/A
Impact Statements	N/A
Enactment Summaries	N/A
Annual Judges Directory	N/A
Annual Retired Judges Directory	N/A
Grand Jury Service	\$187.00
Jury Service	\$1,260.00
Legal Terminology	\$190.00
Ohio Courts	N/A
Electing Judges	\$10.00
Mediation	\$200.00
Representing Yourself	\$350.00
Why Can't I Talk to the Judge?	\$350.00
Probate Legislation Report to Probate Clerks Conference	N/A
Probate Legislation Report to Green Co. Probate CLE	N/A
Ohio Jury Instruction (OJI)	\$129,886.37
OJI Legislative Report	N/A
Background Information on Family Law Reform Legislation	N/A

Source: OJC

Appendix H: Legislative Activity

When OJC determines that a piece of proposed legislation will have a significant impact on the judiciary, it may issue a judicial impact statement or provide testimony to the legislature. The following pages show a recent example of a judicial impact statement and testimony provided by OJC.



Judicial Impact Statement

www.ohiojudges.org

January 2024

HB 234 – *Alford* Pleas

HB 234 As Introduced

Rep. Rogers and Rep.
Williams

Title Information

To amend sections 2929.12 and 2929.22 of the Revised Code to prohibit a court imposing a sentence on an offender for a felony or misdemeanor from considering whether the offender who entered an *Alford* plea shows genuine remorse for the offense.

Background

The bill prohibits a court, when sentencing a defendant who entered an *Alford* plea, from considering the defendant's lack of remorse for the offense. The bill additionally provides that "The general assembly, in amending division (G) of this section pursuant to this act, hereby declares the purpose of the amendment is to address that *Alford* pleas are generally disfavored by courts of this state because *Alford* pleas do not determine the guilt or innocence of the offender."

Judicial Impact

While the Judicial Conference has no position on the substance of the bill, we are concerned about the sentence underlined above, and would like to see it removed from the bill, for two reasons. First, while certain judges may disfavor *Alford* pleas, we think it is inappropriate to attempt to characterize in this manner the position of the entire judiciary of Ohio. It has not been established how many judges favor or disfavor such pleas. Put another way: the evidence or basis for this statement is unestablished and unknown. Second, and similarly, we do not think it appropriate for the legislative branch, through legislation, to purport to present the position of the judicial branch, an independent and co-equal branch of government.

Conclusion

The Judicial Conference does not take a position on removing a judge's ability to consider a lack of remorse when sentencing on an *Alford* plea, but does object to the legislature purporting to speak to the position of Ohio's judicial branch regarding *Alford* pleas, and we respectfully ask that that reference be removed from the bill.

What is a Judicial Impact Statement?

A Judicial Impact Statement describes as objectively and accurately as possible the probable, practical effects on Ohio's court system of the adoption of the particular bill. The court system includes people who use the courts (parties to suits, witnesses, attorneys and other deputies, probation officials, judges and others). The Ohio Judicial Conference prepares these statements pursuant to R.C. 105.911.



Ohio Judicial Conference

The Voice of Ohio Judges

HB 108
Interested Party testimony
House Judiciary Committee

Chair Thomas, Vice Chair Swearingen, Ranking Member Isaacsohn, and members of the Committee:

Thank you for the opportunity to provide this Interested Party testimony on House Bill 108, on behalf of the Ohio Judicial Conference. I will note that the concerns I am sharing in this testimony are the same that we expressed last General Assembly, when the bill was introduced as House Bill 233.

The bill creates a pre-trial process whereby a defendant can file a motion asserting that they acted in self-defense. Upon the filing of the motion, the court must hold a pre-trial hearing, where it must determine whether the defendant establishes sufficient evidence that they did in fact act in self-defense, in which case the court must then grant the motion, establishing a rebuttable presumption that the defendant did indeed act in self-defense. At trial, the prosecution then has the burden to rebut this presumption.

This new step seems unnecessary and redundant, because, under existing law, the prosecution already has the burden of proving that a defendant did not act in self-defense. Thus, HB 108 creates a pre-trial hearing that could amount, in essence, to all of the parties having to litigate question of self-defense twice. This trial-before-the-trial will result in additional costs, time, and court resources without any additional appropriation to fund the duplication of work. Court dockets are already busy enough that it can be challenging to even find time on a calendar to schedule a trial, let alone additional hearings.

Thank you for considering the feedback of Ohio's judges, and please do not hesitate to contact the OJC if you have any questions.

OHIO AUDITOR OF STATE KEITH FABER



OHIO JUDICIAL CONFERENCE

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 3/31/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov