



Joint Legislative Audit Committee
Office of the Auditor General



FINANCIAL AUDIT REPORT
IMMUNIZATION ADVERSE REACTION FUND
YEAR ENDED JUNE 30, 1979

REPORT TO THE
CALIFORNIA LEGISLATURE

REPORT **F-515-923**

REPORT OF THE
OFFICE OF THE AUDITOR GENERAL
TO THE
JOINT LEGISLATIVE AUDIT COMMITTEE

515-923

FINANCIAL AUDIT REPORT
IMMUNIZATION ADVERSE REACTION FUND
YEAR ENDED JUNE 30, 1979

OCTOBER 1980



California Legislature

Joint Legislative Audit Committee

GOVERNMENT CODE SECTION 10500 et al

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S. FLOYD MORI
CHAIRMAN

November 21, 1980

515-923

The Honorable Speaker of the Assembly
The Honorable President pro Tempore of the Senate
The Honorable Members of the Senate and the
Assembly of the Legislature of California

Members of the Legislature:

Your Joint Legislative Audit Committee respectfully submits the Auditor General's financial audit report of the Immunization Adverse Reaction Fund, year ended June 30, 1979.

The auditors are Curt Davis, CPA; Michael C. Dendorfer, CPA; Ross Luna; Robyn Graves; and Harriet Kiyan.

Respectfully submitted,

S. FLOYD MORI
Chairman, Joint Legislative
Audit Committee

Attachment

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INTRODUCTION

In response to a resolution of the Joint Legislative Audit Committee and in compliance with federal Office of Revenue Sharing regulations, we have conducted a financial audit of the Immunization Adverse Reaction Fund. This audit was conducted under the authority vested in the Auditor General by Sections 10527 and 10528 of the Government Code.

The Immunization Adverse Reaction Fund, which is administered by the State Department of Health Services, was created by Chapter 1097 of the Statutes of 1977 to provide funds to reimburse medical expenses incurred by children under the age of 18 as a result of a severe adverse reaction to a state-required immunization. The amount paid for reimbursement may not exceed \$25,000 per minor and is made without regard to the claimant's ability to pay.

An amount of \$50,000 was appropriated from the General Fund to this fund to be used for reimbursement of such medical expenses.

AUDITOR'S OPINION

To the Joint Legislative Audit Committee of the California Legislature:

We have examined the balance sheet of the Immunization Adverse Reaction Fund as of June 30, 1979, and the related statement of revenues, expenditures, and changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Immunization Adverse Reaction Fund at June 30, 1979, and the results of operations and changes in fund balance for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.



WESLEY E. VOSS
Assistant Auditor General

Date: March 31, 1980

Staff: Curt Davis, CPA
Michael Dendorfer, CPA
Ross Luna
Robyn Graves
Harriet Kiyan

STATE OF CALIFORNIA
IMMUNIZATION ADVERSE REACTION FUND

BALANCE SHEET

JUNE 30, 1979

ASSETS

Cash	<u>\$50,000</u>
Total Assets	<u>\$50,000</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	<u>\$ 8,474</u>
Total Liabilities	<u>8,474</u>
Fund Balance	<u>41,526</u>
Total Liabilities and Fund Balance	<u>\$50,000</u>

The notes to the financial statements are an integral part of this statement.

STATE OF CALIFORNIA
IMMUNIZATION ADVERSE REACTION FUND

STATEMENT OF FINANCING SOURCES, EXPENDITURES, AND
CHANGES IN FUND BALANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 1979

Financing Sources:	
Support appropriation (Note 2)	<u>\$ --</u>
Expenditures:	
Program expenditures	<u>8,474</u>
Total Expenditures	<u>8,474</u>
Excess of Expenditures over Financing Sources	(8,474)
Fund Balance - July 1	<u>50,000</u>
Fund Balance - June 30	<u><u>\$41,526</u></u>

The notes to the financial statements are an integral part of
this statement.

STATE OF CALIFORNIA
IMMUNIZATION ADVERSE REACTION FUND
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 1979

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements reflect the financial position and results of operations of the Immunization Adverse Reaction Fund. The statements have been prepared in conformity with generally accepted accounting principles applicable to state and local governments as prescribed by the American Institute of Certified Public Accountants and by the National Council on Governmental Accounting.

The Immunization Adverse Reaction Fund is an Expendable Trust Fund which accounts for General Fund appropriations held in trust for the reimbursement of medical expenses incurred by children under the age of 18 as a result of a severe adverse reaction to a state-required immunization. Expendable Trust Funds are Fiduciary Fund Types which account for assets held by a governmental unit in a trustee capacity, and the accounting records are maintained on the modified accrual basis of accounting. Some of the significant elements include:

Income

Throughout the fiscal year all income including revenues, transfers, and reimbursements is accounted for on a cash basis. At June 30, the accounts are adjusted to accrue all earned but uncollected income.

Expenditures

Expenditures are accounted for at the time claims for payment are filed with the State Controller. At June 30, all valid expenditure commitments are accrued as expenditures including encumbrances outstanding against budget appropriations for which no goods or services have been received.

2. SUPPORT APPROPRIATION

An amount of \$50,000 was originally appropriated from the General Fund to be used for reimbursement of medical expenses. During the fiscal year of this report, no additional appropriations were necessary.

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