



Joint Legislative Audit Committee
Office of the Auditor General



FINANCIAL AUDIT REPORT
CALIFORNIA ADVISORY COMMISSION ON YOUTH
YEAR ENDED JUNE 30, 1979

REPORT TO THE
CALIFORNIA LEGISLATURE

REPORT **F-999.03**

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

999.03

FINANCIAL AUDIT REPORT
CALIFORNIA ADVISORY COMMISSION ON YOUTH
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

October 17, 1980

999.03

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 California Advisory Commission on Youth, year ended June 30, 1979.

The auditors are Curt Davis, CPA; Romero Zamora; Gus Demas; Geraldine Parks; Teri Yee; Michael Tritz; and Charles Thrasher.

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 California Advisory Commission on Youth. This audit was conducted under the authority vested in the Auditor General by Section 10527 of the Government Code.

The California Advisory Commission on Youth was created by Executive Order D 1-77. This order, which was effective as of September 9, 1977, establishes the commission within the Office of the Lieutenant Governor. The Lieutenant Governor has responsibility for administering the activities of the commission.

The objectives of the commission are to coordinate information regarding youth activities in California; to foster greater involvement of youth in all areas of government; to encourage the formation of local youth commissions and councils; to assist existing youth commissions; to serve as the advisory group on youth affairs to the State Legislature and the executive branch of government; to conduct forums; and to study the problems, activities, and concerns of the youth of

the State of California. The California Advisory Commission on Youth is supported by appropriations from the State's General Fund.

AUDITOR'S OPINION

To the Joint Legislative Audit Committee of the California Legislature:

We have examined the balance sheet of the California Advisory Commission on Youth as of June 30, 1979 and the related statements of financing sources, expenditures, and changes in operating clearing 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, the aforementioned financial statements present fairly the financial position of the California Advisory Commission on Youth at June 30, 1979 and the results of operations and changes in operating clearing 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 4, 1980

Staff: Curt Davis, CPA
Romero Zamora
Gus Demas
Geraldine Parks
Teri Yee
Michael Tritz
Charles Thrasher

CALIFORNIA ADVISORY COMMISSION ON YOUTH

BALANCE SHEET

JUNE 30, 1979

ASSETS

Assets \$ --

LIABILITIES, ENCUMBRANCES
OUTSTANDING, AND FUND EQUITY

Liabilities:	
Accounts payable	<u>\$ 2,729</u>
Encumbrances Outstanding	<u>5,742</u>
Fund Equity:	
Operating clearing (Note 3)	<u>(8,471)</u>
Total Liabilities, Encumbrances Outstanding, and Fund Equity	<u>\$ --</u>

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

CALIFORNIA ADVISORY COMMISSION ON YOUTH
STATEMENT OF FINANCING SOURCES, EXPENDITURES,
AND CHANGES IN OPERATING CLEARING - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1979

	<u>Budget as Adjusted</u>	<u>Actual</u>	<u>Variance</u>
Financing Sources: (Note 2)			
Support appropriations	<u>\$62,280</u>	<u>\$24,660</u>	<u>\$(37,620)</u>
Expenditures: (Note 2)			
Personal services	32,893	20,627	12,266
Operating expenses	<u>29,387</u>	<u>12,504</u>	<u>16,883</u>
Total Expenditures	<u>62,280</u>	<u>33,131</u>	<u>29,149</u>
Excess of Financing Sources over (under) Expenditures	<u>\$ --</u>	(8,471)	<u>\$(8,471)</u>
Operating Clearing - July 1		<u>--</u>	
Operating Clearing - June 30		<u>\$(8,471)</u>	

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

CALIFORNIA ADVISORY COMMISSION ON YOUTH
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 California Advisory Commission on Youth. 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 fund type for the California Advisory Commission on Youth is the General Fund. The California Advisory Commission on Youth accounts for only its portion of the General Fund. The State Controller maintains the central accounts for all state funds and annually publishes fund statements.

The General Fund is maintained on the modified accrual basis of accounting. These are some of its more significant elements:

Income

Throughout the fiscal year all income 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.

Liabilities - Vacation and Sick Leave

Costs of vacation and sick leave are charged when these benefits are used rather than when they are earned.

2. BUDGETED FINANCING SOURCES AND EXPENDITURES

The amounts shown under "Budget as Adjusted" for financing sources and expenditures reflect the Governor's Budget after allowing for adjustments by the Budget Act, interim statutory changes affecting appropriations, and authorized executive budget revisions issued during the year.

3. OPERATING CLEARING

This account is the connecting link between the records of the various state agencies and the central fund accounts maintained by the State Controller for the General Fund and other funds not accounted for entirely by one agency. The balance at June 30 represents the net assets and liabilities for which the California Advisory Commission on Youth is accountable.

OTHER INFORMATION

As an integral part of our examination, we reviewed the accounting procedures and related system of internal accounting control at the commission, at the Lieutenant Governor's Office, and at the Department of General Services (which maintains the commission's accounting records) to the extent we considered necessary to properly form an opinion concerning the fairness with which the commission's financial statements present its financial position and results of operations in accordance with generally accepted accounting principles consistently applied.

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
Secretary of State
State Controller
State Treasurer
Legislative Analyst
Director of Finance
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
California State Department Heads
Capitol Press Corps