Legal Title
Audit Repayment Trust Fund

Legal Citation/Authority
Chapter 862, Statutes of 2004 (SB 1838)
Health and Safety Code section 11817.8(g)

Fund Classification
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<th>GAAP Basis</th>
<th>Legal Basis</th>
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<td>Governmental/General Fund</td>
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Purpose
The Department of Health Care Services (Department) annually audits the expenditures of any organization funded in whole or in part with funds administered by the Department. This fund was established as a depository to account for the monetary results of audit findings from noncompliance with Health and Safety Code section 11817.8 as follows:

- All undisputed repayments of state funds found not to have been expended in accordance with the requirements.
- All repayments of state funds resulting from audit resolution procedures as established.
- For organizations or services funded by any combination of state, federal, or other public and private funds, where a clear audit trail which shows the source and application of the funds, is not maintained, repayment will be determined by prorating audit findings between each funding source.

Administering Agency/Organization Code
Department of Health Care Services/Org 4260

Major Revenue Source
Repayment of state funds resulting from audits and audit resolution procedures.

Disposition of Fund (upon abolishment)
Pursuant to Government Code section 16346, absent language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.

Appropriation Authority
Upon appropriation by the Legislature.

State Appropriations Limit
Always Excluded – Revenues in this fund are either not proceeds of taxes and even after transfer, will never become proceeds of taxes, or the revenues have already been counted in an included fund, and should not be double-counted.
Comments/Historical Information
Chapter 1329, Statutes of 1984 created the Audit Repayment Trust Fund.
Chapter 862, Statutes of 2004 repealed the previous legal authority for this fund, and reestablished legal authority for the fund.
Chapter 36, Statutes of 2012 (SB 1014) Section 42 changed the Administering Agency from Department of Alcohol and Drug Programs/Org 4200 to Department of Health Care Services/Org 4260 effective July 1, 2013.