

2017-126 AUDIT SCOPE AND OBJECTIVES

Penalty Assessment Funds

The audit by the California State Auditor will provide independently developed and verified information related to funds that the State and local governments receive from the penalties assessed pursuant to specified Government Code and Penal Code sections, as well as any penalty assessment the California State Auditor deems worthy of further investigation. The audit's scope will include, but not be limited to, the following activities:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Identify the total revenue, expenditures, and fiscal year-end fund balances for each of the state funds that receive revenue from penalties for traffic violations from fiscal years 2014–15 through 2016–17.
3. From a selection of four counties, identify the total revenue, total and types of expenditures, and fiscal year-end fund balances for each of the local funds that receive revenue from traffic violation fines and fees from fiscal years 2014–15 through 2016–17.
4. Determine whether state agencies spent revenue from the penalties that state funds received from fiscal years 2014–15 through 2016–17 in accordance with the requirements and stated purposes of those funds.
5. Determine whether the four selected counties spent the revenue from the penalties that local governments received from fiscal years 2014–15 through 2016–17 in accordance with the requirements and stated purposes of those funds.
6. Review and assess any other issues that are significant to the audit.