

**AUDIT OF STATE BUDGETS**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: LaVar Christensen**

Senate Sponsor: Wayne L. Niederhauser

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**LONG TITLE**

**General Description:**

This bill requires the Office of Legislative Auditor General to audit certain state executive branch entities' budgets.

**Highlighted Provisions:**

This bill:

- requires the Office of Legislative Auditor General to audit entities in the executive branch as directed by the Legislative Audit Subcommittee;
- directs submission of audit reports;
- defines the responsibilities of the Office of Legislative Auditor General in conducting those audits; and
- provides a repeal date.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**36-12-15.1**, Utah Code Annotated 1953

**63I-2-236**, Utah Code Annotated 1953

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **36-12-15.1** is enacted to read:

30 **36-12-15.1. Budget and appropriation audits.**

31 (1) As used in this section, "entity" means an entity in the executive branch that  
32 receives an ongoing line item appropriation in an appropriations act.

33 (2) The Office of Legislative Auditor General shall:

34 (a) each year perform an audit of at least two entities' appropriations, in addition to  
35 other audits performed by the Office of Legislative Auditor General, that evaluates:

36 (i) the extent to which the entity has efficiently and effectively used the appropriation  
37 by identifying:

38 (A) the entity's appropriation history;

39 (B) the entity's spending and efficiency history; and

40 (C) historic trends in the entity's operational performance effectiveness;

41 (ii) whether the entity's size and operation are commensurate with the entity's spending  
42 history; and

43 (iii) whether the entity is diligent in its stewardship of state resources;

44 (b) if possible, incorporate the audit methodology described in Subsection (2)(a) in  
45 other audits performed by the Office of Legislative Auditor General;

46 (c) conduct the audits described in Subsection (2)(a) according to the process  
47 established for the Audit Subcommittee created in Section 36-12-8;

48 (d) after release of an audit report by the Audit Subcommittee, make the audit report  
49 available to:

50 (i) each member of the Senate and the House of Representatives; and

51 (ii) the governor or the governor's designee; and

52 (e) summarize the findings of an audit described in Subsection (2)(a) in:

53 (i) a unique section of the legislative auditor general's annual report; and

54 (ii) a format that the legislative fiscal analyst may use in preparation of the annual  
55 appropriations no later than 30 days before the day on which the Legislature convenes.

56 (3) The Office of Legislative Auditor General shall consult with the legislative fiscal  
57 analyst in preparing the summary required by Subsection (2)(e).

58           (4) The Legislature, in evaluating an entity's request for an increase in its base budget,  
59 shall:  
60           (a) review the audit report required by this section and any relevant audits; and  
61           (b) consider the entity's request for an increase in its base budget in light of the  
62 agency's prior history of savings and efficiencies as evidenced by the audit report required by  
63 this section.

64           Section 2. Section **63I-2-236** is enacted to read:

65           **63I-2-236. Repeal dates -- Title 36.**

66           Section 36-12-15.1 is repealed July 1, 2013.