

## Department of Government Operations Revisions

## 2026 GENERAL SESSION

# STATE OF UTAH

## **Chief Sponsor: Norman K Thurston**

### Senate Sponsor:

## LONG TITLE

### **General Description:**

This bill addresses the Department of Government Operations.

## Highlighted Provisions:

This bill:

- clarifies that the Utah Office of Data Privacy is an office within the Department of Government Operations (department);
- clarifies that the department exercises oversight of the state's comprehensive accounting system and executive branch payroll services;

- subjects the Division of Finance's establishment of the comprehensive state accounting system to departmental oversight;

- replaces the requirement that the director of the Division of Finance audit all claims against the state with a requirement that the director oversee internal controls relating to state financial transactions;

- updates the definition of "executive branch entity" for purposes of executive branch payroll services by:

- removing a date-specific reference to participation in the Division of Finance's central payroll system; and

- adding the Division of Technology Services as an entity included within the definition;

and

- makes technical and conforming changes.

### **Money Appropriated in this Bill:**

None

## Other Special Clauses:

None

## Utah Code Sections Affected:

## AMENDS:

**63A-1-109**, as last amended by Laws of Utah 2022, Chapter 169

31       **63A-1-111**, as last amended by Laws of Utah 2016, Chapters 193, 298  
32       **63A-3-202.5**, as renumbered and amended by Laws of Utah 2024, Chapter 398  
33       **63A-3-203**, as last amended by Laws of Utah 2024, Chapter 398  
34       **63A-17-402**, as renumbered and amended by Laws of Utah 2021, Chapter 344

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

37           Section 1. Section **63A-1-109** is amended to read:

38           **63A-1-109 . Divisions of department -- Administration.**

39       (1) The department is composed of:

40           (a) the following divisions:

41               (i) the Division of Purchasing and General Services, created in Section 63A-2-101;

42               (ii) the Division of Finance, created in Section 63A-3-101;

43               (iii) the Division of Facilities Construction and Management, created in Section

44               63A-5b-301;

45               (iv) the Division of Fleet Operations, created in Section 63A-9-201;

46               (v) the Division of Archives and Records Service, created in Section 63A-12-101;

47               (vi) the Division of Technology Services, created in Section 63A-16-103;

48               (vii) the Division of Human Resource Management, created in Section 63A-17-105;

49               and

50               (viii) the Division of Risk Management, created in Section [63A-16-201] 63A-4-101.5; [

51               and]

52               (b) the Office of Administrative Rules, created in Section 63G-3-401[.] ; and

53               (c) the Utah Office of Data Privacy, created in Section 63A-19-301.

54       (2) Each division described in Subsection (1)(a) shall be administered and managed by a  
55           division director.

56       (3) The department shall exercise oversight of:

57               (a) the comprehensive state accounting system established by the Division of Finance  
58               under Section 63A-3-202.5; and

59               (b) payroll services provided by the Division of Human Resource Management under  
60               Section 63A-17-402, including the use of the central payroll system developed by the  
61               Division of Finance.

62       Section 2. Section **63A-1-111** is amended to read:

63           **63A-1-111 . Service plans established by each division -- Contents -- Distribution.**

64       (1) Each division and each office of the department described in Subsections

65        63A-1-109(1)(a) and (b) shall formulate and establish service plans for each fiscal year.

66        (2) The service plans shall describe:

67            (a) the services to be rendered to state agencies;

68            (b) the methods of providing those services;

69            (c) the standards of performance; and

70            (d) the performance measures used to gauge compliance with those standards.

71        (3) Before the beginning of each fiscal year, the service plans shall be distributed to each  
72            state agency that uses the services provided by that division.

73        Section 3. Section **63A-3-202.5** is amended to read:

74        **63A-3-202.5 . Comprehensive state accounting system -- Approval of agency  
75            accounting systems -- Cost accounting systems required.**

76        (1) [The] Subject to the oversight of the department, the director of the Division of Finance  
77            shall establish a comprehensive state accounting system.

78        (2) Officers, departments, agencies, and institutions of [-]Utah may create and maintain  
79            accounting systems only with the approval of the director.

80        (3) The director may, with the approval of the executive director, require any department or  
81            institution to install and maintain a cost accounting system that will disclose the unit cost  
82            of material or service produced or performed by a department.

83        Section 4. Section **63A-3-203** is amended to read:

84        **63A-3-203 . Accounting control over state departments and agencies --  
85            Prescription and approval of financial forms and accounting systems.**

86        (1) The director of the Division of Finance shall:

87            (a) exercise accounting control over all state departments and agencies except  
88                    institutions of higher education; and

89            (b) prescribe the manner and method of certifying that funds are available and adequate  
90                    to meet all contracts and obligations.

91        (2)(a) The director shall [audit all claims against the state for which an appropriation is  
92            made] monitor internal controls over state financial transactions to ensure that the  
93            controls are designed, implemented, and operating effectively.

94            (b) The director may satisfy the requirement described in Subsection (2)(a) by relying on  
95            audits, reviews, or monitoring conducted by audit teams of state departments and  
96            agencies subject to the director's accounting control.

97        (3)[(a)] The director shall prescribe:

98            [(t)] (a) all forms of requisitions, receipts, vouchers, bills, or claims to be used by all state

departments and agencies; and

[**(ii)**] **(b)** all forms to be used by the division.

[**(b)** Before approving the forms in Subsection (3)(a), the director shall obtain approval from the state auditor that the forms will adequately facilitate the post-audit of public accounts.]

(4) Before implementation by any state agency, the director of the Division of Finance shall review and approve any accounting system developed by a state agency.

(5) If a state agency does not obtain the approval described in Subsection (4), the director may:

- (a) require the state agency to cease all development activity related to the accounting system; and

(b)(i) establish conditions of future development of the accounting system; or  
(ii) deny implementation of the accounting system.

Section 5. Section **63A-17-402** is amended to read:

**63A-17-402 . Division provides payroll services to executive branch agencies --**

## Report.

(1) As used in this section:

(a)(i) "Executive branch entity" means a department, division, agency, board, or office within the executive branch of state government that employs a person who is paid through the central payroll system developed by the Division of Finance[ as of December 31, 2011].

(ii) "Executive branch entity" does not include:

(A) the Office of the Attorney General;

(B) the Office of the State Treasurer;

(C) the Office of the State Auditor;

(D) the Department of Transportation;

[(E) the Division of Technology Services;]

[(F)] (E) the Department of Public Safety;

[G] (F) the Department of Natural Resources; or

[H] [G] the Utah Schools for the Deaf and the Blind.

(b)(i) "Payroll services" means using the central payroll system as directed by the Division of Finance to:

(A) enter and validate payroll reimbursements, which include reimbursements for mileage, a service award, and other wage types;

133 (B) calculate, process, and validate a retirement;  
134 (C) enter a leave adjustment; and  
135 (D) certify payroll by ensuring an entry complies with a rule or policy adopted by  
136 the department or the Division of Finance.

137 (ii) "Payroll services" does not mean:  
138 (A) a function related to payroll that is performed by an employee of the Division  
139 of Finance;  
140 (B) a function related to payroll that is performed by an executive branch agency  
141 on behalf of a person who is not an employee of the executive branch agency;  
142 (C) the entry of time worked by an executive branch agency employee into the  
143 central payroll system; or  
144 (D) approval or verification by a supervisor or designee of the entry of time  
145 worked.

146 (2) The division shall, subject to the oversight of the department, provide payroll services to  
147 all executive branch entities.

148 (3) After September 19, 2012, an executive branch entity, other than the division or the  
149 Division of Finance, may not create a full-time equivalent position or part-time position,  
150 or request an appropriation to fund a full-time equivalent position or part-time position  
151 for the purpose of providing payroll services to the entity.

152 **Section 6. Effective Date.**

153 This bill takes effect on May 6, 2026.