



STATE OF UTAH

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JOHN M. SCHAFF, CIA
AUDITOR GENERAL

September 18, 2018
Report No: ILR 2018-C

President Wayne Niederhauser
Speaker Greg Hughes
Members of the Legislative Audit Subcommittee

SUBJECT: Full audit of tourism promotion funding recommended

Dear Audit Subcommittee Members,

After completing initial survey work on the use of tourism promotion funding in the counties, we recommend the Audit Subcommittee prioritize a full audit of this funding. Our initial survey work uncovered persistent questions about the ways counties are using their share of Transient Room Taxes (TRT) and Tourism, Recreation, Cultural, Convention, and Airport Facilities Taxes (TRCC). There are concerns that some counties may not be following the uses as prescribed by *Utah Code*,¹ which will be included in the review. The amounts collected of both funds also increased significantly in at least the last five years, which intensifies the risk factor. We believe an audit can answer some lingering questions about why counties have chosen to use funds the way they have.

If the Audit Subcommittee approves a full audit, our team is prepared to review a selection of counties for compliance with *Utah Code*.

Sincerely,

John M. Schaff, CIA
Auditor General

¹ *Utah Code* 17-31-2 and 59-12-6