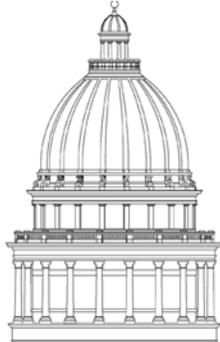
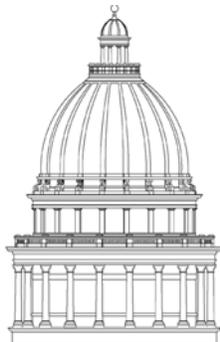


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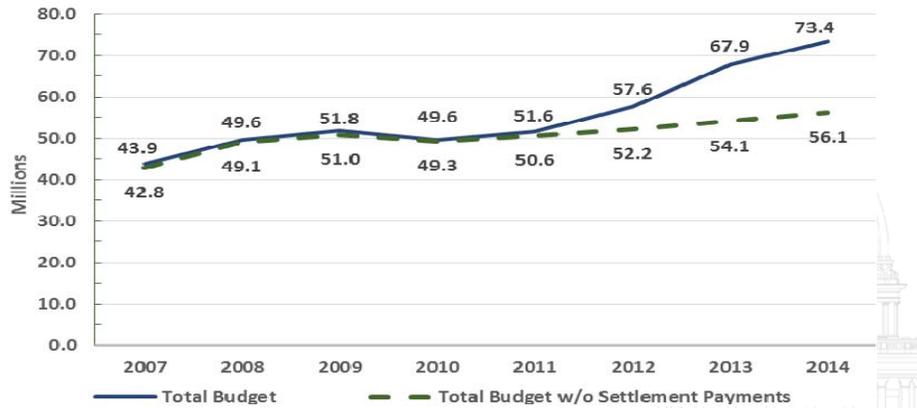
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Auditor General
June 2015

Chapter I



Introduction

Attorney General Total Budget



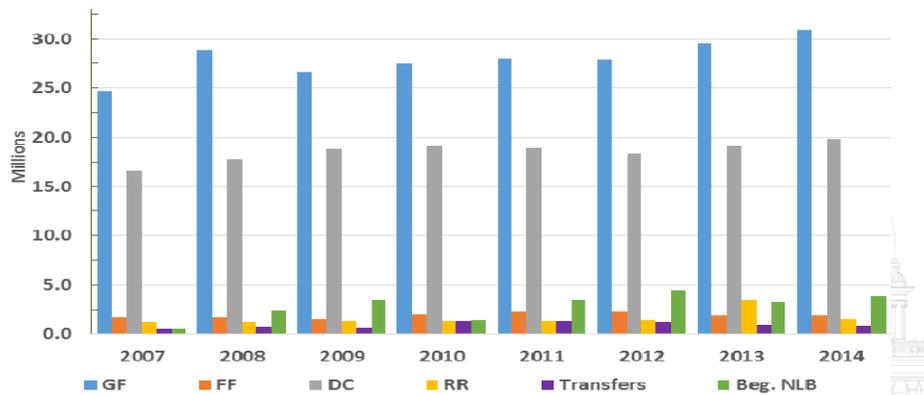
FOR MORE INFORMATION

Figure 1.1 - See Chapter I page 2

Office of the Legislative Auditor General

Slide 3

Funding Sources For OAG Operating Budget



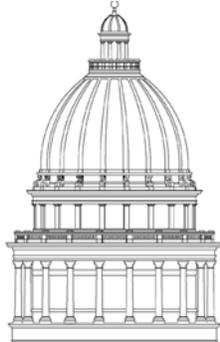
FOR MORE INFORMATION

Figure 1.2 - See Chapter I page 3

Office of the Legislative Auditor General

Slide 4

Chapter II



Improved Budgetary and Accounting Controls Necessary for Legal Services

Long Standing Use of Dedicated Credits Is Not Consistent with Statute and Lacks Transparency

1) Use of dedicated credits is not consistent with statute

- **Utah Code 63J-2-102:** Dedicated credits does not mean.... revenues received by the Attorney General's Office from billings for professional services

2) Use of dedicated credits limits transparency

- Legislature not privy to negotiations between OAG and state agencies for additional legal services
- Indirect appropriations
- Double counting in the state budget roll-up each year

FOR MORE INFORMATION

See Chapter II pages 9 through 12

Budgeting and Accounting For Legal Services Needs Improvement

- 1) OAG Lacks uniformity and consistency in providing legal services and tracking costs
- 2) Current accounting of legal services could put federal funds at risk
- 3) Pay increases are constrained by the current funding system

FOR MORE INFORMATION

See Chapter II pages 12 through 15

Office of the Legislative Auditor General

Slide 7

Additional Controls for Legal Services Necessary

- We Recommend the Legislature Consider Creating an Internal Service Fund (ISF) for Selected Legal Services
- A Cost Allocation Plan (CAP) is an alternative to an ISF
- A new line item for legal services is also a Legislative alternative to an ISF

FOR MORE INFORMATION

See Chapter II pages 15 and 16

Office of the Legislative Auditor General

Slide 8

Additional Reporting And Oversight Of Other Funds Needed

- 1) Attorney General Litigation Fund needs additional oversight
 - Downward trend in fund balances – see Appendix D of report.
 - Fund balances, revenues, and expenditures should be annually reviewed
- 2) Annual legislative reporting on all other off-budget funds would increase accountability of fund activities
 - Before 2014, no reporting of off-budget fund activity

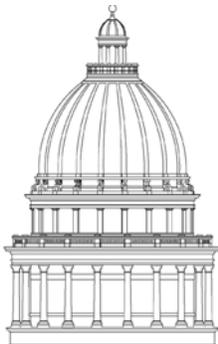
FOR MORE INFORMATION

See Chapter II pages 18 and 19

Office of the Legislative Auditor General

Slide 9

Chapter III



Spending of Building Block
Appropriations Generally
Meets Intent

Building Block Expenditures Appear Consistent with Stated Purpose

Fiscal Year	Yes	Partial	No	Total
2014	9	1	0	10
2013	11	0	0	11
2012	11	1	0	12
2011	9	1	0	10
2010	10	0	0	10
Total	50	3	0	53

FOR MORE INFORMATION

Figure 3.1 - See Chapter III page 22

Office of the Legislative Auditor General

Slide 11

Insufficient Accounting Results in Unverifiable Spending For 3 Building Blocks

- Spending for two building blocks was unverifiable due to inadequate accounting and lack of oversight and accountability from division management
- One building block received a partial designation due to delayed implementation and the resulting incomplete data

FOR MORE INFORMATION

See Chapter III pages 23 through 24

Office of the Legislative Auditor General

Slide 12

Additional Spending And Budgeting Concerns

- 1) S.B. 281, Mortgage and Financial Fraud Investigators, 2012 General Session
 - \$2 million one-time appropriation - OAG has hired 4 FTEs with an ongoing cost of about \$700,000
- 2) H.B. 76, Federal Law Evaluation and Response, 2011 General Session
 - Restricted account – anticipated \$350,000 annually, but only receiving about \$50,000 annually – not enough to cover 3 FTEs hired.

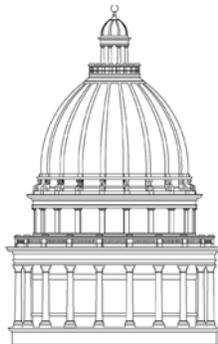
FOR MORE INFORMATION

See Chapter III pages 23 through 24

Office of the Legislative Auditor General

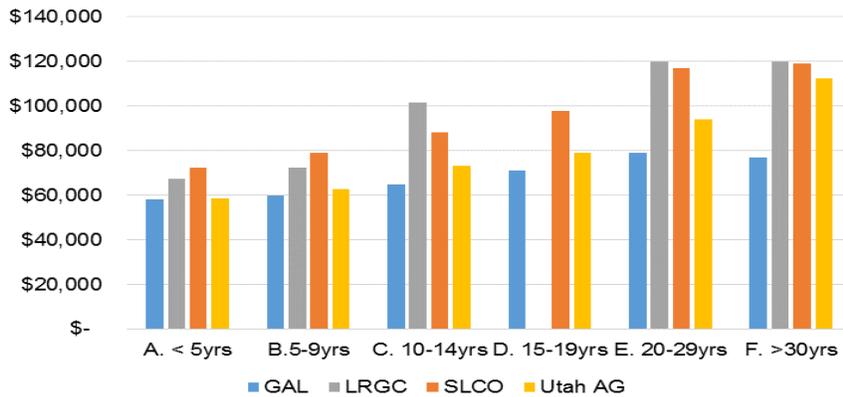
Slide 13

Chapter IV



Compensation on Low End but
Turnover Rates Are Favorable

Assistant AG Salaries Compare On the Lower End of Local Survey



FOR MORE INFORMATION

Figure 4.2 - See Chapter IV pages 28 through 30

Office of the Legislative Auditor General

Slide 15

Assistant AG Turnover Rates Compare Favorably To Other States And Locals

Turnover Rate	
Utah Assistant Attorney General	5.3 %
State Comparables	
Washington Asst. AG	30.0
Oregon Asst. AG	9.0
Colorado Asst. AG	5.7
Idaho Asst. AG	4.1
Local Comparables	
LRGC Attorneys	5.1
SLCO District Attorneys	3.0
Utah GALs	18.3
State and Professional Comparables	
All Utah State Employees	17.1
Utah State Engineers	5.4
Utah State Medical Professionals	7.8

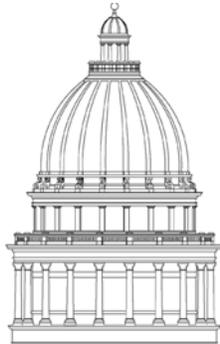
FOR MORE INFORMATION

Figure 4.3 - See Chapter IV pages 31 through 32

Office of the Legislative Auditor General

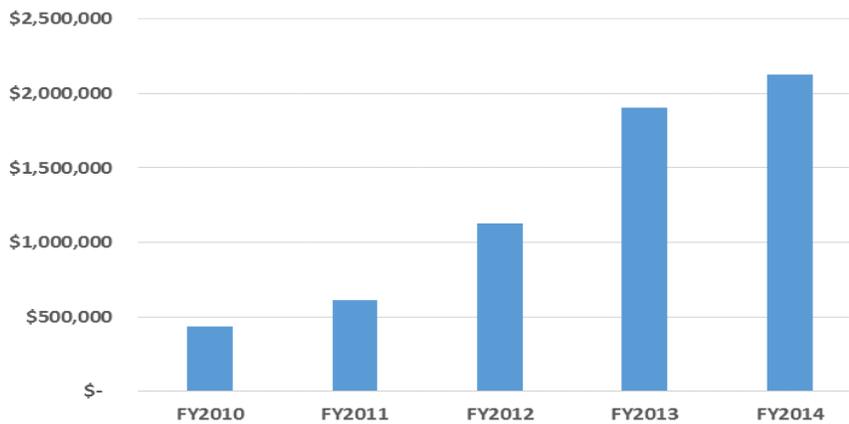
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Chapter V



Isolated Events Increased Attorney Contracting Costs

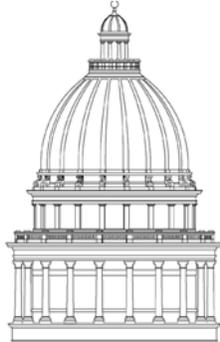
Large Highway Projects Increase Contract Attorney Expenses and Condemnation Caseloads



FOR MORE INFORMATION

Figure 5.1 - See Chapter IV pages 36 through 37

An In-Depth Budget Review of the Office of the
Utah Attorney General



A Report by the Utah Legislative
Auditor General
June 2015