



A Key Pillar of State Government

OFFICE OF THE STATE AUDITOR



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Mission Statement

We provide Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.



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Objective

Be a constitutional watchdog to ensure that taxpayer funds are being spent legally, efficiently, and effectively.



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Office of the State Auditor

- Local Government Oversight
- Data Analysis
- Information Technology Audit
- Financial Audit
- Special Projects
- Performance Audit



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Local Government Oversight

- Local Government Entities Include:
 - 29 Counties
 - 248 Cities and Towns
 - 156 Local Education Agencies (School Districts and Charter Schools)
 - Approximately 500 Conservation, Health, Housing, Interlocal, Local, and Special Service Districts



Local Government Oversight

- Proactive review of budgetary compliance and budget adoption
- Obtain and review year-end financial reports
- Transparency site comparison
- Bank statement reviews of smaller local governments

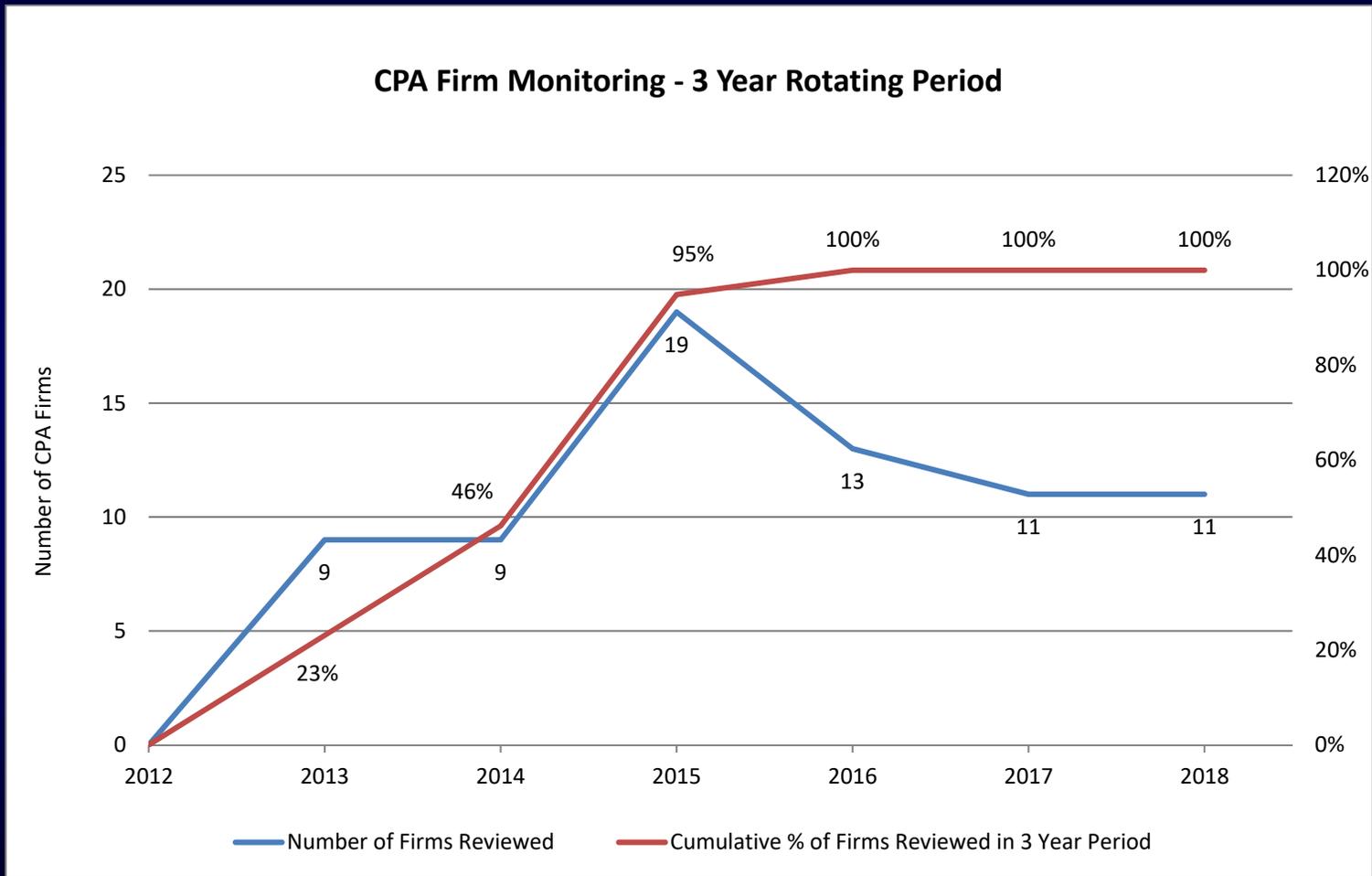


Local Government Oversight

- Provide on-line training
 - Introduction to Budgeting
 - Introduction to OPMA
 - Introduction to GRAMA
- CPA workpaper reviews



CPA Workpaper Reviews – 3 Year Rotating Period



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Local Government Oversight

- Launched Salesforce -
 - Improve workflow
 - Manage on-line report submission
 - Unify local government communication records
- Electronic user submission of financial reports
- Enforcement of financial transparency database reporting



Subpoenas Issued

Calendar Year	To a Public Entity or Official	To a Private Entity Regarding a Public Entity or Official
2018	12	16
2017	4	12
2016	0	44



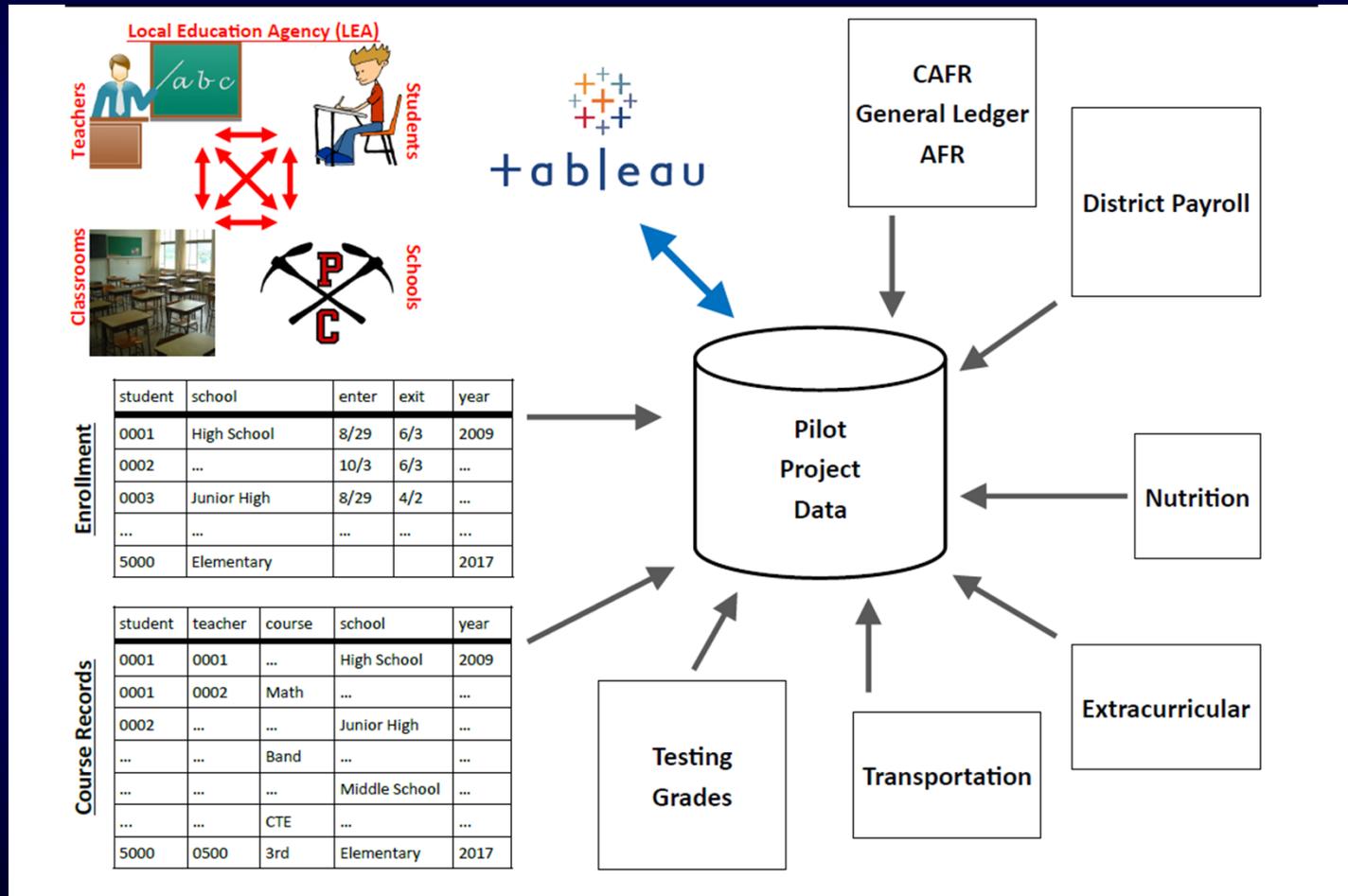
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Data Analysis

- Project KIDS (Key Integrated Data Systems)
 - Series of data dashboards integrating existing financial, operational, and performance data
 - Provides school district personnel with tools to
 - Ask better questions
 - Lead to data-driven decisionmaking

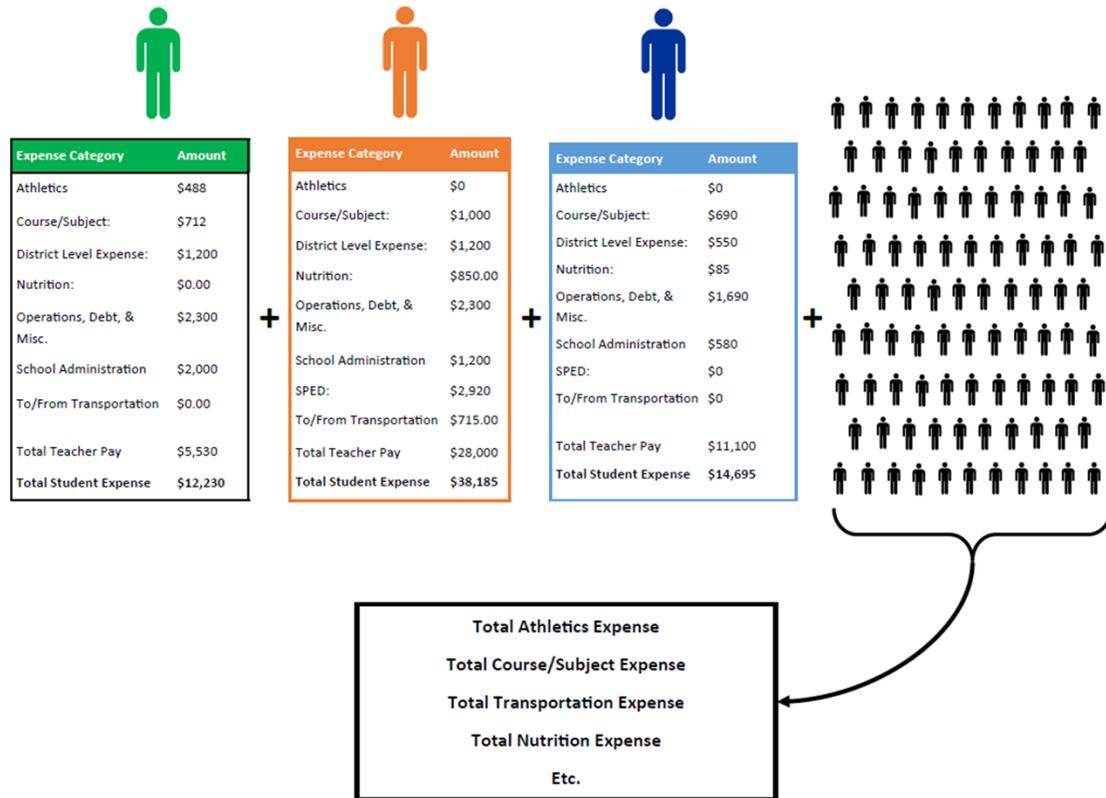


Project KIDS



Project KIDS

Bottom Up, Not Top Down Student Level Expenditure



Information Technology Audit

- Review controls of systems with sensitive data
 - Controlled substance database
 - Drivers license database
- Performs reviews of systems and applications in support of:
 - Financial statement audits
 - Single audit
 - Operations of the State



Information Technology Audit

- Network scans of local governments / cyber security
- Supports the risk assessment and security reviews of data systems for state and local governments



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Information Technology Audit

- Information Technology Audits performed this past year include:
 - Controlled-Substance Database
 - Department of Public Safety Driver License Division
 - Department of Workforce Services
 - University of Utah
 - Weber State University
 - Snow College



Financial Audit

- Responsible for auditing all State departments, agencies, and colleges and universities
- Audits both State funds and federal grants



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Financial Audit

- Financial audits are conducted in accordance with:
 - Generally accepted auditing standards,
 - Government Auditing Standards, and the
 - Single Audit Act



Financial Audit

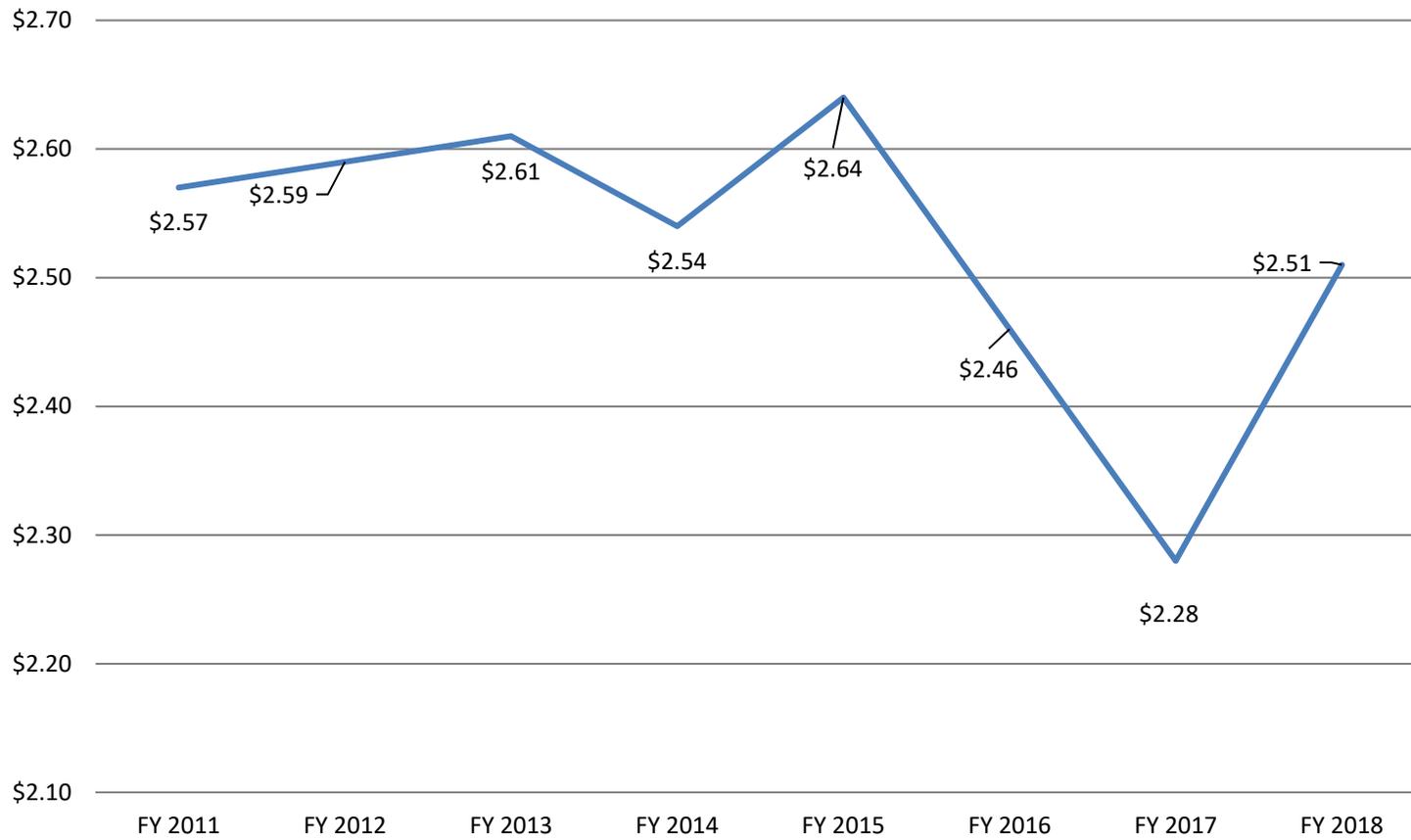
- Approximately 80 reports issued annually
 - 26 Financial Audit Reports
 - 55 Letters to Management, Attestation Reports, and Other Reports

https://auditor.utah.gov/audit_reports/financial-audits/



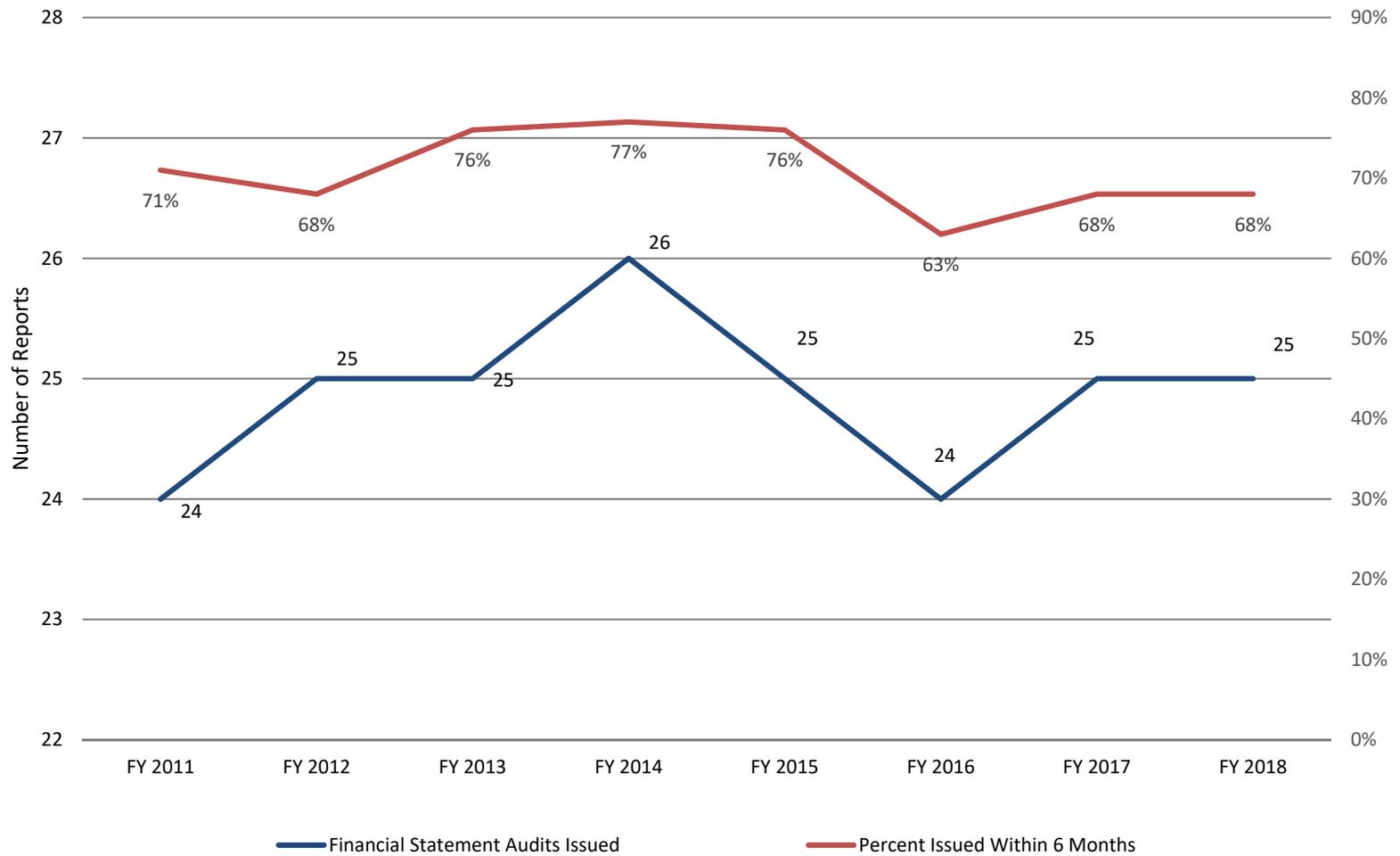
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Cost of Auditing per \$10,000 of State Expenditure



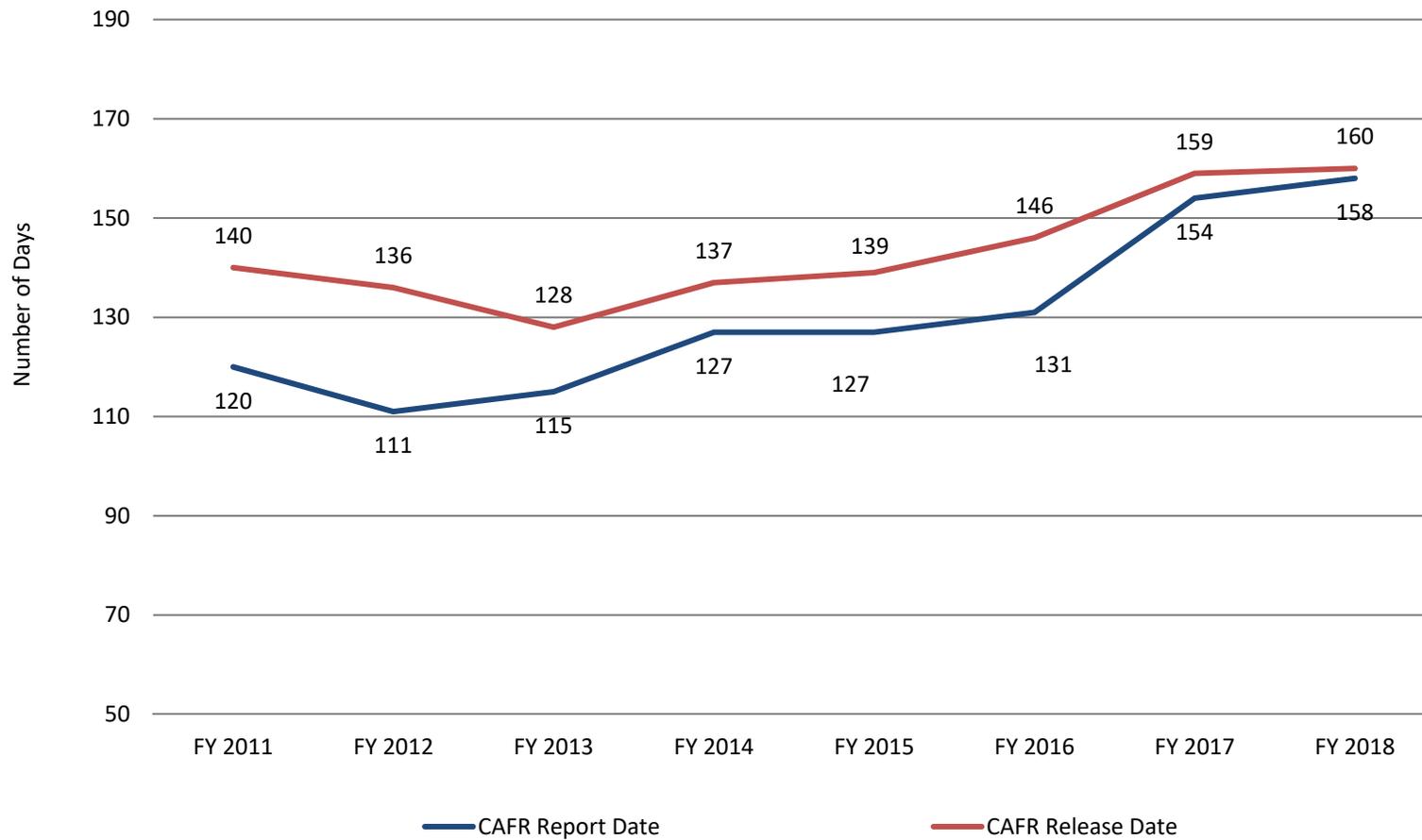
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Annual Financial Statement Audits Completed on a Timely Basis (Excluding State CAFR)



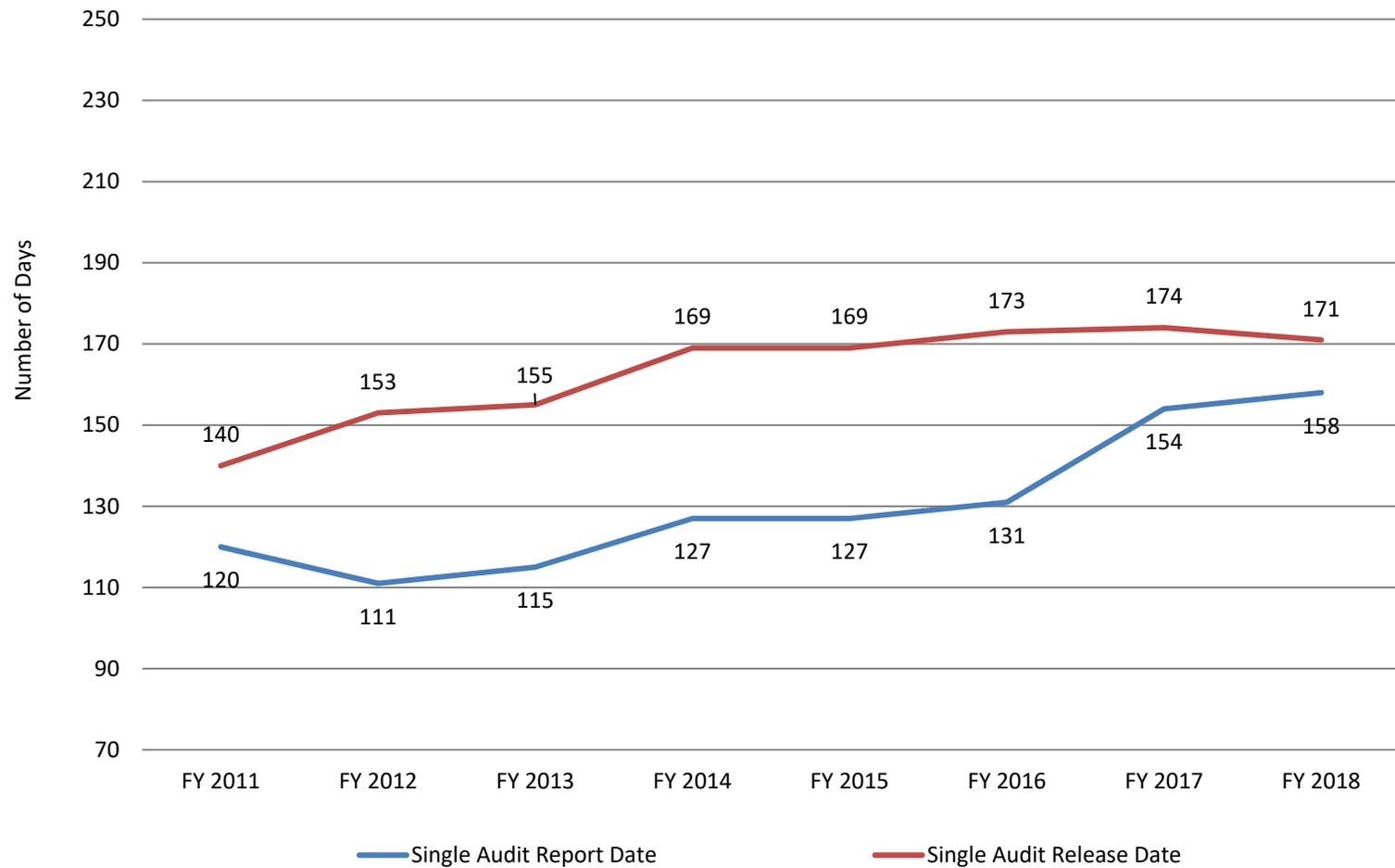
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Comprehensive Annual Financial Report (CAFR) Timeliness: Number of Days to Report Date and Release Date



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Single Audit Timeliness: Number of Days to Report Date and Release Date



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Special Projects / Hotline

- Investigate waste, fraud, and abuse
- Investigate allegations of public corruption
- Turn any potential criminal findings over to AG or county attorneys for prosecution



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Special Projects / Hotline

- Special Project / Hotline reports issued this past year include:
 - Fayette Town Special Project
 - Four Water Conservancy District Reviews
 - Unified Police Department
 - Santa Clara City
 - Washington County
 - Plymouth Town

https://auditor.utah.gov/audit_reports/special-projects/



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hotline.utah.gov



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Performance Audit

- Conducts audits that evaluate the efficiency of operations and the effectiveness of programs
- Can also measure operational compliance to given criteria such as:
 - State or federal law,
 - Administrative rule, or
 - Policy.



Performance Audit

- Performance Audits issued this past year include:
 - Police Officer Standards and Training
 - Educator Misconduct Reporting and Discipline
 - Salt Lake City's Police Department
 - Local Education Agency Compliance with Procurement Requirements

https://auditor.utah.gov/audit_reports/performance-audits/



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OSA Staff Counts

(Includes Interns)	FY15	FY16	FY17	FY18	FY19	FY20
Head Count						
High	53	54	53	62	62*	62*
Low	39	47	43	49	48*	
FTE						
High	45	50	43	46	52*	48*
Low	38	42	40	40	47*	
* Projected						



OSA Budget

		Actual FY 18	Authorized FY 19	Requested FY 20
BB	Beginning Balance	\$ 1,273,600	\$ 660,600	\$ 229,700
GF	General Fund - On Going	\$ 3,318,200	\$ 3,392,300	\$ 3,392,300
GF	General Fund - One Time	\$ (181,800)	\$ 18,100	
DC	Contract Revenue	\$ 393,100	\$ 560,000	\$ 560,000
DC	Dedicated Credits	\$ 1,988,200	\$ 2,361,600	\$ 2,351,000
CB	Closing Balance	\$ (660,600)	\$ (229,700)	\$ -
	Total	\$ 6,130,700	\$ 6,762,900	\$ 6,533,000
AA	Personnel Services	\$ 5,047,500	\$ 5,732,200	\$ 5,532,300
BB	Travel - In State	\$ 19,200	\$ 19,000	\$ 19,000
CC	Travel - Out of State	\$ 10,000	\$ 10,000	\$ 10,000
DD	Current Expense	\$ 765,800	\$ 797,500	\$ 798,100
EE	IT Current Expense	\$ 257,000	\$ 169,200	\$ 173,600
FF	IT Capital Outlay	\$ 13,700	\$ 35,000	\$ -
GG	Capital Expenditures	\$ 17,500	\$ -	\$ -
	Total	\$ 6,130,700	\$ 6,762,900	\$ 6,533,000



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OSA Budget

- Options:
 - Deploy Local Government IT Security Assessments
 - Recommend 2 teams (1 auditor, 1 DTS specialist)
 - \$210K per team (\$90K auditor and \$120K DTS specialist)
 - Deploy Project KIDS
 - \$500K (0.01% of Education Fund expenditures)
 - Upgrade Financial Transparency Support
 - \$225K on-going moved from DAS Division of Finance to OSA
 - \$200K one-time for Utah Public Finance Website upgrade



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